

**TOWNSHIP OF DELRAN  
COUNTY OF BURLINGTON**

**REPORT OF AUDIT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2017**

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**TOWNSHIP OF DELRAN**

**PART I**

**REPORT OF AUDIT OF FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Council  
Township of Delran  
Delran, New Jersey 08075

### **Report on the Financial Statements**

We have audited the accompanying statements of assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Delran, in the County of Burlington, State of New Jersey, (Township) as of December 31, 2017 and 2016, and the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis, statement of expenditures - regulatory basis, and statement of general fixed asset group of accounts - regulatory basis for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America**

As described in note 1 to the financial statements, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

**Adverse Opinion on Accounting Principles Generally Accepted in the United States of America**

In our opinion, because of the significance of the matter discussed in the “*Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America*” paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township of Delran, in the County of Burlington, State of New Jersey, as of December 31, 2017 and 2016, or the results of its operations and changes in fund balance for the years then ended.

**Basis for Qualified Opinion on General Fixed Asset Group of Accounts - Regulatory Basis**

The general fixed asset group of accounts - regulatory basis, as of and for the year ended December 31, 2017, includes errors in the general fixed assets account group, as required by N.J.A.C. 5:30-5.6. The record of general fixed assets was not adequately reconciled to the report provided by the independent appraisal company. The amount of the error in the general fixed assets account group is not known.

**Qualified Opinion on General Fixed Asset Group of Accounts - Regulatory Basis**

In our opinion, as a result of the effects of the matter described in the “*Basis for Qualified Opinion on General Fixed Asset Group of Accounts - Regulatory Basis*” paragraph, the general fixed asset group of accounts - regulatory basis is not presented fairly, in all material respects, for the Township of Delran, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2017, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

**Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to previously, except for the general fixed asset group of accounts - regulatory basis as of and for the year ended December 31, 2017, present fairly, in all material respects, the assets, liabilities, reserves and fund balance - regulatory basis of the various funds of the Township of Delran, in the County of Burlington, State of New Jersey, as of December 31, 2017 and 2016, and the results of its operations and changes in fund balance - regulatory basis of such funds for the years then ended, and the revenues - regulatory basis and expenditures - regulatory basis of the various funds, for the year ended December 31, 2017, in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, as described in note 1.

**Emphasis of Matter**

*Prior Period Restatement*

As discussed in note 18 to the financial statements, the 2016 balance of Sewer Utility Capital Improvement Authorizations Funded and Unfunded and Sewer Utility Capital Bond and Notes Authorized but not Issued has been restated to correct misstatements from the prior year. Additionally, the 2016 balance of general fixed asset group of accounts - regulatory basis and Sewer Utility Capital Fixed Capital and Reserve for Amortization has been restated to adjust the values to estimated historical costs based on an appraisal report. Our opinion is not modified with respect to these matters.

**Other Matters**

*Other Information*

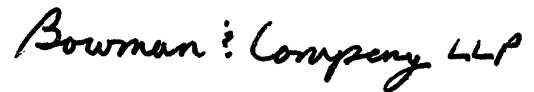
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplemental statements and schedules presented for the various funds, as listed in the table of contents, are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and are not a required part of the basic financial statements.

The supplemental statements and schedules presented for the various funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental statements and schedules described in the previous paragraph are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2018 on our consideration of the Township of Delran, in the County of Burlington, State of New Jersey, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Delran's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Robert S. Marrone  
Certified Public Accountant  
Registered Municipal Accountant

Voorhees New Jersey  
June 27, 2018



**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and  
Members of the Township Council  
Township of Delran  
Delran, New Jersey 08075

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, of the Township of Delran, in the County of Burlington, State of New Jersey, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements, and have issued our report thereon dated June 27, 2018. That report indicated that the Township of Delran's financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America, but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Additionally, our report included a qualified opinion on the general fixed asset group of accounts - regulatory basis as of and for the year ended December 31, 2017 as a result of errors noted in Township's general fixed asset records. Finally, our report on the financial statements included an emphasis of matter paragraph describing the restatement of the prior period financial statements resulting from the correction of a misstatement and an adjustment in estimated historical costs of assets.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township of Delran's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Delran's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Delran's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying *Schedule of Findings and Recommendations*, we identified certain deficiencies in internal control that we consider to be a material weakness and significant deficiencies.

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A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying *Schedule of Findings and Recommendations* as finding number 2017-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying *Schedule of Findings and Recommendations* as finding numbers 2017-002 and 2017-003 to be significant deficiencies.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Delran's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, and which are described in the accompanying *Schedule of Findings and Recommendations* as findings number 2017-001 and 2017-004.


### The Township of Delran's Response to Findings

The Township of Delran's response to the findings identified in our audit is described in the accompanying *Schedule of Findings and Recommendations*. The Township's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Robert S. Marrone  
Certified Public Accountant  
Registered Municipal Accountant

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2017 and 2016

| <u>ASSETS</u>                                    | <u>Ref.</u> | <u>2017</u>             | <u>2016</u>             |
|--|-------------|-------------------------|-------------------------|
| Regular Fund:                                    |             |                         |                         |
| Cash--Treasurer                                  | SA-1        | \$ 13,063,050.20        | \$ 11,724,082.42        |
| Cash--Change Fund                                | A           | 200.00                  | 200.00                  |
|  |             | <u>13,063,250.20</u>    | <u>11,724,282.42</u>    |
| Receivables and Other Assets with Full Reserves: |             |                         |                         |
| Delinquent Property Taxes Receivable             | SA-4        | 619,048.14              | 722,858.24              |
| Tax Title Liens Receivable                       | SA-5        | 163,064.45              | 127,116.94              |
| Property Acquired for Taxes--Assessed Valuation  | A           | 282,015.00              | 282,015.00              |
| Revenue Accounts Receivable                      | SA-6        | 20,005.86               | 22,570.67               |
| Due from Sewer Operating Fund                    | D           | 19,293.29               | 30,463.65               |
| Due from Trust Other Fund                        | B           | 167,351.32              | 182,517.69              |
| Due from Trust - Open Space Fund                 | B           | 9,181.31                | 1,313.14                |
| Due from General Capital Fund                    | C           | 316,257.06              | 490.55                  |
|  |             | <u>1,596,216.43</u>     | <u>1,369,345.88</u>     |
|  |             | <u>14,659,466.63</u>    | <u>13,093,628.30</u>    |
| Federal, State and Local Grant Fund:             |             |                         |                         |
| Cash--Treasurer                                  | SA-1        | 843,031.57              | 463,444.97              |
| Due from General Capital Fund                    | C           |                         | 13,930.20               |
| Federal and State Grants Receivable              | SA-18       |                         | 259,661.43              |
|  |             | <u>843,031.57</u>       | <u>737,036.60</u>       |
|  |             | <u>\$ 15,502,498.20</u> | <u>\$ 13,830,664.90</u> |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance -- Regulatory Basis  
 As of December 31, 2017 and 2016

| <u>LIABILITIES, RESERVES<br/>AND FUND BALANCE</u> | <u>Ref.</u> | <u>2017</u>      | <u>2016</u>      |
|---|-------------|------------------|------------------|
| Regular Fund:                                     |             |                  |                  |
| Liabilities:                                      |             |                  |                  |
| Appropriation Reserves                            | A-3 & SA-8  | \$ 1,554,959.82  | \$ 1,681,821.35  |
| Reserve for Encumbrances                          | A-3 & SA-8  | 277,958.47       | 325,074.94       |
| Payroll Deductions Payable                        | SA-13       | 50,917.79        | 50,631.48        |
| Prepaid Licenses                                  | SA-7        | 41,322.00        | 40,038.00        |
| Accounts Payable                                  | SA-8        | 488,458.01       |                  |
| Due to State of New Jersey:                       |             |                  |                  |
| Marriage License Fees                             | SA-9        | 575.00           | 725.00           |
| Department of Community Affairs - Training Fees   | SA-12       | 4,895.00         | 5,172.00         |
| Senior Citizens' and Veterans' Deductions         | SA-3        | 11,468.62        | 8,468.62         |
| Prepaid Taxes                                     | SA-10       | 1,493,695.39     | 432,058.46       |
| Tax Overpayments                                  | SA-11       | 50,302.62        | 33,631.71        |
| Due County for Added and Omitted Taxes            | SA-16       | 23,969.08        | 24,976.10        |
| Reserve for:                                      |             |                  |                  |
| Master Plan                                       | A           | 4,243.60         | 4,243.60         |
| Reassessment                                      | A           | 11,276.73        | 11,276.73        |
| Codification of Ordinances                        | A           | 2,568.00         | 2,568.00         |
| Tax Appeals                                       | A           | 208,953.75       | 208,953.75       |
| Post Employment Benefits                          | A           | 100,000.00       | 100,000.00       |
|   |             | 4,325,563.88     | 2,929,639.74     |
| Reserves for Receivables and Other Assets         | A           | 1,596,216.43     | 1,369,345.88     |
| Fund Balance                                      | A-1         | 8,737,686.32     | 8,794,642.68     |
|   |             | 14,659,466.63    | 13,093,628.30    |
| Federal, State and Local Grant Fund:              |             |                  |                  |
| Reserve for Encumbrances                          | SA-21       | 300.22           | 258,371.36       |
| Due to General Capital Fund                       | C           | 376,675.27       |                  |
| Unappropriated Reserves                           | SA-19       | 93,051.34        | 147,944.97       |
| Appropriated Reserves                             | SA-20       | 373,004.74       | 330,720.27       |
|   |             | 843,031.57       | 737,036.60       |
|   |             | \$ 15,502,498.20 | \$ 13,830,664.90 |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis  
 For the Years Ended December 31, 2017 and 2016

|  | <u>2017</u>          | <u>2016</u>          |
|--|----------------------|----------------------|
| <b>Revenue and Other Income Realized</b>           |                      |                      |
| Fund Balance Utilized                              | \$ 3,500,000.00      | \$ 3,000,000.00      |
| Miscellaneous Revenues Anticipated                 | 2,849,483.92         | 3,039,625.62         |
| Receipts from Delinquent Taxes                     | 717,277.02           | 684,115.28           |
| Receipts from Current Taxes                        | 51,936,735.45        | 50,854,874.92        |
| Non-Budget Revenue                                 | 238,424.11           | 129,478.53           |
| Other Credits to Income:                           |                      |                      |
| Unexpended Balance of Appropriation Reserves       | 979,555.57           | 1,296,725.28         |
| Liquidation of Reserves for:                       |                      |                      |
| Due from General Capital Fund                      |                      | 149.96               |
| Due from Trust - Open Space Fund                   |                      | 13,657.88            |
| Due from Trust - Other Fund                        | 15,166.37            |                      |
| Due from Sewer Utility Operating - Other Fund      | 11,170.36            |                      |
| <b>Total Income</b>                                | <b>60,247,812.80</b> | <b>59,018,627.47</b> |
| <b>Expenditures</b>                                |                      |                      |
| Budget Appropriations:                             |                      |                      |
| Operations--Within "CAPS":                         |                      |                      |
| Salaries and Wages                                 | 5,836,723.15         | 5,769,316.94         |
| Other Expenses                                     | 4,793,297.85         | 4,703,999.35         |
| Deferred Charges and Statutory Expenditures        |                      |                      |
| Municipal--Within "CAPS"                           | 1,528,039.39         | 1,455,610.00         |
| Operations--Excluded from "CAPS":                  |                      |                      |
| Other Expenses                                     | 372,465.88           | 761,537.18           |
| Capital Improvements--Excluded from "CAPS"         | 150,000.00           | 140,000.00           |
| Municipal Debt Service--Excluded from "CAPS"       | 2,039,508.58         | 1,601,196.88         |
| Deferred Charges and Statutory Expenditures:       |                      |                      |
| Special Emergency Authorization                    |                      | 4,000.00             |
| Deferred Charges to Future Taxation                | 57,686.97            |                      |
| County Taxes                                       | 6,013,323.58         | 6,112,539.87         |
| Due County for Added and Omitted                   | 23,969.08            | 24,976.10            |
| Special Fire District Taxes                        | 2,205,770.00         | 2,093,347.00         |
| Local School District Taxes                        | 33,132,758.00        | 32,137,856.00        |
| Municipal Open Space Trust Tax                     | 325,000.00           | 325,000.00           |
| Due to State of New Jersey--Senior Citizens'       |                      |                      |
| Deductions Disallowed--Prior Years                 | 2,000.00             | 2,500.00             |
| Refund of Prior Year Revenues                      |                      | 1,002.07             |
| Cancellation of Grant Receivable                   | 592.00               |                      |
| Creation of Reserve for:                           |                      |                      |
| Due from General Capital Fund                      | 315,766.51           |                      |
| Due from Trust - Open Space Fund                   | 7,868.17             |                      |
| Due from Sewer Operating Fund                      |                      | 30,463.65            |
| Due from Trust - Other Fund                        |                      | 67,451.32            |
| <b>Total Expenditures</b>                          | <b>56,804,769.16</b> | <b>55,230,796.36</b> |
| Statutory Excess to Fund Balance (Carried Forward) | 3,443,043.64         | 3,787,831.11         |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis  
 For the Years Ended December 31, 2017 and 2016

|  | <u>2017</u>                   | <u>2016</u>                   |
|--|-------------------------------|-------------------------------|
| Statutory Excess to Fund Balance (Brought Forward) | \$ 3,443,043.64               | \$ 3,787,831.11               |
| <u>Fund Balance</u>                                |                               |                               |
| Balance Jan. 1                                     | <u>8,794,642.68</u>           | <u>8,006,811.57</u>           |
| Decreased by:                                      | 12,237,686.32                 | 11,794,642.68                 |
| Utilized as Revenue                                | <u>3,500,000.00</u>           | <u>3,000,000.00</u>           |
| Balance Dec. 31                                    | <u><u>\$ 8,737,686.32</u></u> | <u><u>\$ 8,794,642.68</u></u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2017

|   | <u>Anticipated</u><br><u>Budget</u> | <u>Special</u><br><u>N.J.S.40A:4-87</u> | <u>Realized</u> | <u>Excess or</u><br><u>(Deficit)</u> |
|---|-------------------------------------|---|-----------------|--------------------------------------|
| Fund Balance Anticipated  | \$ 3,500,000.00                     | \$ -                                    | \$ 3,500,000.00 | \$ -                                 |
| Miscellaneous Revenues:   |                                     |   |                 |                                      |
| Licenses:   |                                     |   |                 |                                      |
| Alcoholic Beverages   | 17,000.00                           |   | 17,950.00       | 950.00                               |
| Other   | 33,000.00                           |   | 66,748.00       | 33,748.00                            |
| Fees and Permits:   |                                     |   |                 |                                      |
| Other   | 25,000.00                           |   | 102,374.54      | 77,374.54                            |
| Fines and Costs:  |                                     |   |                 |                                      |
| Municipal Court   | 265,000.00                          |   | 254,825.35      | (10,174.65)                          |
| Interest and Costs on Taxes   | 75,000.00                           |   | 180,613.31      | 105,613.31                           |
| Interest on Investments and Deposits  | 7,500.00                            |   | 48,465.84       | 40,965.84                            |
| Consolidated Municipal Property Tax Relief Act  | 47,360.00                           |   | 47,360.00       |                                      |
| Energy Receipts Tax   | 1,231,741.00                        |   | 1,231,741.00    |                                      |
| Dedicated Uniform Construction Code Fees Offset<br>with Appropriation Uniform Construction Code Fees                  | 120,000.00                          |   | 335,721.00      | 215,721.00                           |
| Special Items of General Revenue Anticipated with Prior<br>Written Consent of Director of Local Government Services:  |                                     |   |                 |                                      |
| Additional Revenue Offset with Appropriations:  |                                     |   |                 |                                      |
| Municipal Water Services  | 5,500.00                            |   |                 | (5,500.00)                           |
| Special Items of General Revenue Anticipated with Prior<br>Written Consent of Director of Local Government Services:  |                                     |   |                 |                                      |
| State and Federal Revenues Offset with Appropriations:  |                                     |   |                 |                                      |
| Safe and Secure Communities Program   | 60,000.00                           |   | 60,000.00       |                                      |
| New Jersey Department of Transportation & Delaware Valley<br>Regional Planning Commission - Tenby Chase Project Grant | 82,944.97                           |   | 82,944.97       |                                      |
| Recycling Tonnage Grant   |                                     | 27,081.75                               | 27,081.75       |                                      |
| Click It or Ticket  |                                     | 5,500.00                                | 5,500.00        |                                      |
| Municipal Court - Alcohol Education and Rehabilitation Program  |                                     | 6,562.67                                | 6,562.67        |                                      |
| Clean Communities Grant Program   |                                     | 32,554.79                               | 32,554.79       |                                      |
| Distracted Driving Statewide Crackdown Grant  |                                     | 5,500.00                                | 5,500.00        |                                      |
| Drive Sober or Get Pulled Over  |                                     | 5,000.00                                | 5,000.00        |                                      |
| Body Armor Replacement Fund Grant   |                                     | 2,990.70                                | 2,990.70        |                                      |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2017

|  | <u>Anticipated</u><br><u>Budget</u> | <u>Special</u><br><u>N.J.S.40A:4-87</u> | <u>Realized</u>         | <u>Excess or</u><br><u>(Deficit)</u> |
|--|-------------------------------------|---|-------------------------|--------------------------------------|
| Special Items of General Revenue Anticipated with Prior<br>Written Consent of Director of Local Government Services:<br>Other Special Items: |                                     |   |                         |                                      |
| Rental Agreement--Delran Township Fire Commission  | \$ 21,600.00                        |   | \$ 21,600.00            |                                      |
| Reserve for Payment of Bonds--General Capital  | 313,950.00                          |   | 313,950.00              |                                      |
|  | <u>2,305,595.97</u>                 | <u>\$ 85,189.91</u>                     | <u>2,849,483.92</u>     | <u>\$ 458,698.04</u>                 |
| Receipts from Delinquent Taxes   | <u>300,000.00</u>                   | <u>-</u>                                | <u>717,277.02</u>       | <u>417,277.02</u>                    |
| Amount to be Raised by Taxes for Support of<br>Municipal Budget:<br>Local Tax for Municipal Purposes   | <u>10,713,000.00</u>                | <u>-</u>                                | <u>12,350,531.43</u>    | <u>1,637,531.43</u>                  |
| Budget Totals  | <u>16,818,595.97</u>                | <u>85,189.91</u>                        | <u>19,417,292.37</u>    | <u>2,598,696.40</u>                  |
| Non-Budget Revenue   |                                     |   | <u>238,424.11</u>       | <u>238,424.11</u>                    |
|  | <u>\$ 16,818,595.97</u>             | <u>\$ 85,189.91</u>                     | <u>\$ 19,655,716.48</u> | <u>\$ 2,837,120.51</u>               |



**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2017

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Analysis of Realized Revenues

|   |                                |
|---|--------------------------------|
| Allocation of Current Tax Collections:                          |                                |
| Revenue from Collections  | \$ 51,936,735.45               |
| Allocated to:   |                                |
| School, County, Special District and Municipal Open Space Taxes | <u>41,700,820.66</u>           |
| Balance for Support of Municipal Budget Appropriations          | 10,235,914.79                  |
| Add: Appropriation "Reserve for Uncollected Taxes"              | <u>2,114,616.64</u>            |
| Amount for Support of Municipal Budget Appropriations           | <u><u>\$ 12,350,531.43</u></u> |
| Receipts from Delinquent Taxes:                                 |                                |
| Delinquent Tax Collections                                      | \$ 708,470.61                  |
| Tax Title Liens   | <u>8,806.41</u>                |
|   | <u><u>\$ 717,277.02</u></u>    |

Analysis of Non-Budget Revenue

Miscellaneous Revenue Not Anticipated:

|  |                             |
|--|-----------------------------|
| Collected by Treasurer:  |                             |
| Comcast Cable Fees   | \$ 67,170.69                |
| Outside Police Admin & Vehicle Fees                            | 41,130.25                   |
| Property Maintenance Fees                                      | 4,760.00                    |
| Clear Channel Reimbursement                                    | 5,810.00                    |
| State of New Jersey Inspection Fine                            | 4,703.00                    |
| Administrative Fee for Senior Citizens and Veterans Deductions | 2,780.00                    |
| Sale of Township Assets  | 13,688.18                   |
| Refund of Prior Year Expenses                                  | 16,173.33                   |
| FEMA - Hurricane Sandy Reimbursement                           | <u>56,307.63</u>            |
| Total Cash Collections   | 212,523.08                  |
| LOSAP Forfeitures  | <u>25,901.03</u>            |
|  | <u><u>\$ 238,424.11</u></u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2017

|                                     | Appropriations |                              | Expended           |              |             | Unexpended<br>Balance<br>Canceled |
|-------------------------------------|----------------|------------------------------|--------------------|--------------|-------------|-----------------------------------|
|                                     | Budget         | Budget After<br>Modification | Paid or<br>Charged | Encumbered   | Reserved    |                                   |
| <b>OPERATIONS--WITHIN "CAPS"</b>    |                |                              |                    |              |             |                                   |
| <u>Department of Administration</u> |                |                              |                    |              |             |                                   |
| Division of Administration:         |                |                              |                    |              |             |                                   |
| Business Administration Office      |                |                              |                    |              |             |                                   |
| Salaries and Wages                  | \$ 152,284.00  | \$ 157,796.65                | \$ 157,796.65      |              |             |                                   |
| Other Expenses                      | 79,600.00      | 74,087.35                    | 51,555.94          | \$ 18,062.39 | \$ 4,469.02 |                                   |
| Mayor and Council                   |                |                              |                    |              |             |                                   |
| Salaries and Wages                  | 16,955.00      | 16,955.17                    | 16,955.17          |              |             |                                   |
| Other Expenses                      | 3,900.00       | 3,899.83                     | 2,027.52           |              | 1,872.31    |                                   |
| Public Relations                    |                |                              |                    |              |             |                                   |
| Other Expenses                      | 6,000.00       | 6,000.00                     | 4,689.53           |              | 1,310.47    |                                   |
| Office of Municipal Clerk           |                |                              |                    |              |             |                                   |
| Salaries and Wages                  | 56,795.00      | 56,795.00                    | 54,768.50          |              | 2,026.50    |                                   |
| Other Expenses                      | 22,625.00      | 22,625.00                    | 16,789.12          | 65.42        | 5,770.46    |                                   |
| Insurance                           |                |                              |                    |              |             |                                   |
| General Liability                   | 231,502.00     | 231,502.00                   | 222,235.00         |              | 9,267.00    |                                   |
| Workers Compensation                | 172,574.00     | 172,574.00                   | 172,574.00         |              |             |                                   |
| Employee Group Health               | 1,200,000.00   | 1,200,000.00                 | 988,584.35         |              | 211,415.65  |                                   |
| Health Benefit Waiver               | 30,500.00      | 30,500.00                    | 25,500.00          |              | 5,000.00    |                                   |
| <u>Department of Finance</u>        |                |                              |                    |              |             |                                   |
| Division of Accounts and Controls:  |                |                              |                    |              |             |                                   |
| Municipal Auditor                   |                |                              |                    |              |             |                                   |
| Audit Services                      | 28,000.00      | 28,000.00                    | 28,000.00          |              |             |                                   |
| Division of Treasury:               |                |                              |                    |              |             |                                   |
| Treasurer                           |                |                              |                    |              |             |                                   |
| Salaries and Wages                  | 162,359.00     | 152,359.00                   | 142,794.54         |              | 9,564.46    |                                   |
| Other Expenses                      | 30,770.00      | 30,770.00                    | 18,009.86          | 3,999.00     | 8,761.14    |                                   |
| Division of Revenue:                |                |                              |                    |              |             |                                   |
| Bureau of Assessments               |                |                              |                    |              |             |                                   |
| Salaries and Wages                  | 48,899.00      | 48,899.00                    | 46,999.94          |              | 1,899.06    |                                   |
| Other Expenses                      | 51,660.00      | 51,660.00                    | 18,385.23          |              | 33,274.77   |                                   |
| Bureau of Collections               |                |                              |                    |              |             |                                   |
| Salaries and Wages                  | 144,092.00     | 134,092.00                   | 114,474.82         |              | 19,617.18   |                                   |
| Other Expenses                      | 12,550.00      | 12,550.00                    | 8,879.14           | 803.20       | 2,867.66    |                                   |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2017

|  | Appropriations |                              | Expended           |              |              | Unexpended<br>Balance<br>Canceled |
|--|----------------|------------------------------|--------------------|--------------|--------------|-----------------------------------|
|  | Budget         | Budget After<br>Modification | Paid or<br>Charged | Encumbered   | Reserved     |                                   |
| <u>OPERATIONS--WITHIN "CAPS" (CONT'D):</u> |                |                              |                    |              |              |                                   |
| <u>Department of Engineering</u>           |                |                              |                    |              |              |                                   |
| Township Engineer                          |                |                              |                    |              |              |                                   |
| Other Expenses                             | \$ 45,000.00   | \$ 44,514.85                 | \$ 27,210.25       |              | \$ 17,304.60 |                                   |
| <u>Department of Law</u>                   |                |                              |                    |              |              |                                   |
| Township Solicitor                         |                |                              |                    |              |              |                                   |
| Other Expenses                             | 158,000.00     | 170,000.00                   | 159,320.56         |              | 10,679.44    |                                   |
| <u>Department of Public Safety</u>         |                |                              |                    |              |              |                                   |
| Division of Police:                        |                |                              |                    |              |              |                                   |
| Police                                     |                |                              |                    |              |              |                                   |
| Salaries and Wages                         | 3,562,665.00   | 3,562,665.00                 | 3,326,222.61       |              | 236,442.39   |                                   |
| Other Expenses                             | 275,000.00     | 275,000.00                   | 158,693.10         | \$114,350.71 | 1,956.19     |                                   |
| School Traffic Guards                      |                |                              |                    |              |              |                                   |
| Salaries and Wages                         | 94,000.00      | 94,000.00                    | 88,757.15          |              | 5,242.85     |                                   |
| Other Expenses                             | 500.00         | 500.00                       | 500.00             |              |              |                                   |
| First Aid Organization--Contribution       | 100.00         | 100.00                       |                    |              | 100.00       |                                   |
| Municipal Court                            |                |                              |                    |              |              |                                   |
| Salaries and Wages                         | 154,643.00     | 154,339.33                   | 144,932.32         |              | 9,407.01     |                                   |
| Other Expenses                             | 12,400.00      | 12,703.67                    | 12,167.50          | 536.17       |              |                                   |
| Public Defender                            |                |                              |                    |              |              |                                   |
| Other Expenses                             | 7,025.00       | 7,025.00                     |                    |              | 7,025.00     |                                   |
| Division of Emergency Management           |                |                              |                    |              |              |                                   |
| Office of Emergency Management             |                |                              |                    |              |              |                                   |
| Salaries and Wages                         | 3,258.00       | 3,258.00                     | 3,132.00           |              | 126.00       |                                   |
| Other Expenses                             | 1,000.00       | 1,000.00                     |                    |              | 1,000.00     |                                   |
| <u>Department of Public Works</u>          |                |                              |                    |              |              |                                   |
| Division of Roads and Public Property:     |                |                              |                    |              |              |                                   |
| Streets and Roads                          |                |                              |                    |              |              |                                   |
| Salaries and Wages                         | 870,145.00     | 870,145.00                   | 779,291.30         |              | 90,853.70    |                                   |
| Other Expenses                             | 212,500.00     | 212,500.00                   | 125,039.06         | 23,284.09    | 64,176.85    |                                   |
| Solid Waste Collection                     |                |                              |                    |              |              |                                   |
| Other Expenses                             | 523,893.00     | 523,893.00                   | 481,457.25         |              | 42,435.75    |                                   |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2017

|  | Appropriations |                              | Expended           |            |              | Unexpended<br>Balance<br>Canceled |
|--|----------------|------------------------------|--------------------|------------|--------------|-----------------------------------|
|  | Budget         | Budget After<br>Modification | Paid or<br>Charged | Encumbered | Reserved     |                                   |
| <b>OPERATIONS--WITHIN "CAPS" (CONT'D):</b> |                |                              |                    |            |              |                                   |
| <u>Department of Public Works</u>          |                |                              |                    |            |              |                                   |
| Recycling                                  |                |                              |                    |            |              |                                   |
| Salaries and Wages                         | \$ 148,045.00  | \$ 148,045.00                | \$ 130,054.44      |            | \$ 17,990.56 |                                   |
| Other Expenses                             | 67,500.00      | 67,500.00                    | 31,285.74          | \$ 400.00  | 35,814.26    |                                   |
| Public Buildings and Grounds               |                |                              |                    |            |              |                                   |
| Other Expenses                             | 134,500.00     | 134,500.00                   | 94,449.72          | 7,715.14   | 32,335.14    |                                   |
| Division of Parks and Recreation:          |                |                              |                    |            |              |                                   |
| Recreation Committee                       |                |                              |                    |            |              |                                   |
| Salaries and Wages                         | 6,500.00       | 6,744.80                     | 6,685.56           |            | 59.24        |                                   |
| Other Expenses                             | 20,300.00      | 20,300.00                    | 12,815.72          |            | 7,484.28     |                                   |
| Juvenile Conference Committee              |                |                              |                    |            |              |                                   |
| Other Expenses                             | 100.00         | 100.00                       |                    |            | 100.00       |                                   |
| <u>Department of Health</u>                |                |                              |                    |            |              |                                   |
| Division of Health:                        |                |                              |                    |            |              |                                   |
| Salaries and Wages                         | 45,000.00      | 45,000.00                    | 37,068.78          |            | 7,931.22     |                                   |
| Other Expenses                             | 200.00         | 200.00                       |                    |            | 200.00       |                                   |
| Dog Regulation:                            |                |                              |                    |            |              |                                   |
| Other Expenses                             | 16,000.00      | 16,000.00                    | 16,000.00          |            |              |                                   |
| <u>Statutory Agencies</u>                  |                |                              |                    |            |              |                                   |
| Municipal Land Use Law (N.J.S.40-55D-1)    |                |                              |                    |            |              |                                   |
| Zoning Board of Adjustments                |                |                              |                    |            |              |                                   |
| Other Expenses                             | 9,750.00       | 9,750.00                     | 1,842.22           |            | 7,907.78     |                                   |
| Municipal Prosecutor                       |                |                              |                    |            |              |                                   |
| Other Expenses                             | 16,558.00      | 16,558.00                    | 15,575.00          |            | 983.00       |                                   |
| Planning Board                             |                |                              |                    |            |              |                                   |
| Salaries and Wages                         | 45,000.00      | 45,000.00                    | 37,043.88          |            | 7,956.12     |                                   |
| Other Expenses                             | 11,650.00      | 11,650.00                    | 7,733.70           |            | 3,916.30     |                                   |
| Council on Affordable Housing              |                |                              |                    |            |              |                                   |
| Other Expenses                             | 25,000.00      | 39,485.15                    | 39,485.15          |            |              |                                   |
| Zoning Officer                             |                |                              |                    |            |              |                                   |
| Salaries and Wages                         | 52,000.00      | 52,000.00                    | 23,400.00          |            | 28,600.00    |                                   |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2017

|  | Appropriations |                              | Expended           |              |              | Unexpended<br>Balance<br>Canceled |
|--|----------------|------------------------------|--------------------|--------------|--------------|-----------------------------------|
|  | Budget         | Budget After<br>Modification | Paid or<br>Charged | Encumbered   | Reserved     |                                   |
| <u>OPERATIONS--WITHIN "CAPS" (CONT'D):</u>           |                |                              |                    |              |              |                                   |
| <u>Statutory Agencies</u>                            |                |                              |                    |              |              |                                   |
| Landfill/Solid Waste Disposal Costs                  | \$ 455,000.00  | \$ 455,000.00                | \$ 415,235.99      |              | \$ 39,764.01 |                                   |
| Utility Purchases and Bulk Purchases                 |                |                              |                    |              |              |                                   |
| Electricity/Gas                                      | 230,000.00     | 230,000.00                   | 151,385.15         | \$ 40,856.87 | 37,757.98    |                                   |
| Street Lighting                                      | 220,000.00     | 220,000.00                   | 150,928.90         | 24,561.98    | 44,509.12    |                                   |
| Telephone  | 35,000.00      | 35,000.00                    | 28,772.42          |              | 6,227.58     |                                   |
| Water  | 55,000.00      | 55,000.00                    | 29,208.84          |              | 25,791.16    |                                   |
| Gasoline   | 175,000.00     | 175,000.00                   | 62,920.71          |              | 112,079.29   |                                   |
| P.L. 2000 Chapter 26:                                |                |                              |                    |              |              |                                   |
| Solid Waste Service to Apartments                    |                |                              |                    |              |              |                                   |
| Collection   | 115,000.00     | 115,000.00                   | 48,136.90          |              | 66,863.10    |                                   |
| Disposal   | 73,000.00      | 73,000.00                    | 21,626.73          |              | 51,373.27    |                                   |
| State Uniform Construction Code:                     |                |                              |                    |              |              |                                   |
| Construction Official                                |                |                              |                    |              |              |                                   |
| Salaries and Wages                                   | 215,380.00     | 208,129.20                   | 178,477.27         |              | 29,651.93    |                                   |
| Other Expenses                                       | 25,150.00      | 25,150.00                    | 7,519.85           |              | 17,630.15    |                                   |
| <u>Unclassified</u>                                  |                |                              |                    |              |              |                                   |
| Salary Adjustment                                    | 5,000.00       | 5,000.00                     |                    |              | 5,000.00     |                                   |
| Accumulated Absences                                 | 50,000.00      | 50,000.00                    | 50,000.00          |              |              |                                   |
| Prior Year Bill: Grande Snow 2012 and 2013           |                |                              |                    |              |              |                                   |
| Prior Year Bill: Grande Water Service                |                |                              |                    |              |              |                                   |
| Green Team Other Expenses                            | 1,200.00       | 1,200.00                     | 605.00             | 75.00        | 520.00       |                                   |
| Interest on Developers Deposits                      | 2,000.00       | 2,000.00                     |                    |              | 2,000.00     |                                   |
| Total Operations--Within "CAPS"                      | 10,626,027.00  | 10,625,021.00                | 8,996,000.08       | 234,709.97   | 1,394,310.95 | \$ -                              |
| Contingent   | 5,000.00       | 5,000.00                     | 1,924.88           | -            | 3,075.12     | -                                 |
| Total Operations Including Contingent--Within "CAPS" | 10,631,027.00  | 10,630,021.00                | 8,997,924.96       | 234,709.97   | 1,397,386.07 | -                                 |
| Detail:  |                |                              |                    |              |              |                                   |
| Salaries and Wages                                   | 5,858,520.00   | 5,836,723.15                 | 5,364,354.93       | -            | 472,368.22   | -                                 |
| Other Expenses                                       | 4,772,507.00   | 4,793,297.85                 | 3,633,570.03       | 234,709.97   | 925,017.85   | -                                 |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
 Statement of Expenditures -- Regulatory Basis  
 For the Year Ended December 31, 2017

|   | Appropriations       |                              | Expended             |                   |                     | Unexpended<br>Balance<br>Canceled |
|---|----------------------|------------------------------|----------------------|-------------------|---------------------|-----------------------------------|
|   | Budget               | Budget After<br>Modification | Paid or<br>Charged   | Encumbered        | Reserved            |                                   |
| <u>DEFERRED CHARGES AND STATUTORY EXPENDITURES MUNICIPAL--WITHIN "CAPS"</u>                                 |                      |                              |                      |                   |                     |                                   |
| Statutory Expenditures:   |                      |                              |                      |                   |                     |                                   |
| Contribution to:  |                      |                              |                      |                   |                     |                                   |
| Public Employees Retirement System  | \$ 261,005.39        | \$ 261,005.39                | \$ 261,005.39        |                   |                     |                                   |
| Social Security System (O.A.S.I.)   | 500,000.00           | 500,000.00                   | 402,029.55           |                   | \$ 97,970.45        |                                   |
| Police and Firemen's Retirement System  | 763,034.00           | 763,034.00                   | 761,499.84           |                   | 1,534.16            |                                   |
| Defined Contribution Retirement Program   | 3,000.00             | 3,000.00                     | 993.05               | \$ 23.45          | 1,983.50            |                                   |
| Unemployment Compensation Insurance   | 1,000.00             | 1,000.00                     | 192.00               |                   | 808.00              |                                   |
| <b>Total Deferred Charges and Statutory Expenditures--Municipal--Within "CAPS"</b>                          | <b>1,528,039.39</b>  | <b>1,528,039.39</b>          | <b>1,425,719.83</b>  | <b>23.45</b>      | <b>102,296.11</b>   | <b>\$ -</b>                       |
| <b>Total General Appropriations for Municipal Purposes Within--"CAPS"</b>                                   | <b>12,159,066.39</b> | <b>12,158,060.39</b>         | <b>10,423,644.79</b> | <b>234,733.42</b> | <b>1,499,682.18</b> | <b>-</b>                          |
| <u>OPERATIONS EXCLUDED FROM "CAPS"</u>  |                      |                              |                      |                   |                     |                                   |
| Statutory Expenditures:   |                      |                              |                      |                   |                     |                                   |
| SFSP Fire District Payment  | 5,162.00             | 5,162.00                     | 5,162.00             |                   |                     |                                   |
| Length of Service Awards Program  | 82,000.00            | 82,000.00                    |                      | 43,225.05         | 38,774.95           |                                   |
| Landfill Recycling Fees   | 27,000.00            | 27,000.00                    | 15,997.31            |                   | 11,002.69           |                                   |
| Employee Group Health   |                      |                              |                      |                   |                     |                                   |
| Municipal Water Services  |                      |                              |                      |                   |                     |                                   |
| Other Expenses  | 5,500.00             | 5,500.00                     |                      |                   | 5,500.00            |                                   |
| <u>Public and Private Programs Off-Set by Revenues</u>  |                      |                              |                      |                   |                     |                                   |
| Safe and Secure Communities Program   | 84,669.00            | 84,669.00                    | 84,669.00            |                   |                     |                                   |
| New Jersey Department of Transportation & Delaware Regional Planning Commission - Tenby Chase Project Grant | 82,944.97            | 82,944.97                    | 82,944.97            |                   |                     |                                   |
| Body Armor Replacement Fund Grant<br>(N.J.S.A. 40A:4-87, \$2,990.70+)                                       |                      | 2,990.70                     | 2,990.70             |                   |                     |                                   |
| Drive Sober or Get Pulled Over<br>(N.J.S.A. 40A:4-87, \$5,000.00+)  |                      | 5,000.00                     | 5,000.00             |                   |                     |                                   |
| Distracted Driving Statewide Crackdown Grant<br>(N.J.S.A. 40A:4-87, \$5,500.00+)                            |                      | 5,500.00                     | 5,500.00             |                   |                     |                                   |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2017

|  | Appropriations       |                              | Expended            |                     |                     | Unexpended<br>Balance<br>Canceled |
|--|----------------------|------------------------------|---------------------|---------------------|---------------------|-----------------------------------|
|  | Budget               | Budget After<br>Modification | Paid or<br>Charged  | Encumbered          | Reserved            |                                   |
| <b>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</b>  |                      |                              |                     |                     |                     |                                   |
| <u>Public and Private Programs Off-Set by Revenues (Cont'd)</u>                              |                      |                              |                     |                     |                     |                                   |
| Click it or Ticket (N.J.S.A. 40A:4-87, \$5,000.00+)  |                      | \$ 5,500.00                  | \$ 5,500.00         |                     |                     |                                   |
| Municipal Court Alcohol Education/Rehabilitation Program<br>(N.J.S.A. 40A:4-87, \$6,562.67+) |                      | 6,562.67                     | 6,562.67            |                     |                     |                                   |
| Recycling Tonnage Grant<br>(N.J.S.A. 40A:4-87, \$27,081.75+)                                 |                      | 27,081.75                    | 27,081.75           |                     |                     |                                   |
| Clean Communities Grant Program<br>(N.J.S.A. 40A:4-87, \$32,554.79+)                         |                      | 32,554.79                    | 32,554.79           |                     |                     |                                   |
| <b>Total Operations--Excluded from "CAPS"</b>  | <b>\$ 287,275.97</b> | <b>372,465.88</b>            | <b>273,963.19</b>   | <b>\$ 43,225.05</b> | <b>\$ 55,277.64</b> | <b>\$ -</b>                       |
| Detail:  |                      |                              |                     |                     |                     |                                   |
| Other Expenses   | 287,275.97           | 372,465.88                   | 273,963.19          | 43,225.05           | 55,277.64           | -                                 |
| <b>CAPITAL IMPROVEMENTS--EXCLUDED FROM "CAPS"</b>  |                      |                              |                     |                     |                     |                                   |
| Capital Improvement Fund   | 150,000.00           | 150,000.00                   | 150,000.00          | -                   | -                   | -                                 |
| <b>MUNICIPAL DEBT SERVICE--EXCLUDED FROM "CAPS"</b>  |                      |                              |                     |                     |                     |                                   |
| Payment of Bond Principal  | 1,242,000.00         | 1,242,000.00                 | 1,242,000.00        |                     |                     |                                   |
| Payment of Bond Anticipation Notes and Capital Notes   | 295,000.00           | 295,000.00                   | 295,000.00          |                     |                     |                                   |
| Additional Paydown on Bond Anticipation Notes  | 313,950.00           | 314,956.00                   | 313,762.97          |                     |                     | 1,193.03                          |
| Interest on Bonds  | 120,000.00           | 120,000.00                   | 118,933.75          |                     |                     | 1,066.25                          |
| Interest on Notes  | 79,000.00            | 79,000.00                    | 69,811.86           |                     |                     | 9,188.14                          |
| <b>Total Municipal Debt Service--Excluded from "CAPS"</b>                                    | <b>2,049,950.00</b>  | <b>2,050,956.00</b>          | <b>2,039,508.58</b> | <b>-</b>            | <b>-</b>            | <b>11,447.42</b>                  |
| <b>DEFERRED CHARGES -- MUNICIPAL --<br/>EXCLUDED FROM "CAPS"</b>                             |                      |                              |                     |                     |                     |                                   |
| Deferred Charges:  |                      |                              |                     |                     |                     |                                   |
| Deferred Charges to Future Taxation  |                      |                              |                     |                     |                     |                                   |
| Ordinance 2010-1   | 37,873.97            | 37,873.97                    | 37,873.97           |                     |                     |                                   |
| Ordinance 2011-20  | 19,813.00            | 19,813.00                    | 19,813.00           |                     |                     |                                   |
|  | <b>57,686.97</b>     | <b>57,686.97</b>             | <b>57,686.97</b>    | <b>-</b>            | <b>-</b>            | <b>-</b>                          |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2017

|   | <u>Appropriations</u>   |                                      | <u>Expended</u>            |                      |                        | <u>Unexpended<br/>Balance<br/>Canceled</u> |
|---|-------------------------|--------------------------------------|----------------------------|----------------------|------------------------|--|
|   | <u>Budget</u>           | <u>Budget After<br/>Modification</u> | <u>Paid or<br/>Charged</u> | <u>Encumbered</u>    | <u>Reserved</u>        |  |
| <b><u>OPERATIONS EXCLUDED FROM "CAPS" (CONT'D)</u></b>                        |                         |                                      |                            |                      |                        |  |
| Purposes--Excluded from "CAPS"  | \$ 2,544,912.94         | \$ 2,631,108.85                      | \$ 2,521,158.74            | \$ 43,225.05         | \$ 55,277.64           | \$ 11,447.42                               |
| Subtotal General Appropriations   | 14,703,979.33           | 14,789,169.24                        | 12,944,803.53              | 277,958.47           | 1,554,959.82           | 11,447.42                                  |
| Reserve for Uncollected Taxes   | 2,114,616.64            | 2,114,616.64                         | 2,114,616.64               | -                    | -                      | -  |
| Total General Appropriations  | <u>\$ 16,818,595.97</u> | <u>\$ 16,903,785.88</u>              | <u>\$ 15,059,420.17</u>    | <u>\$ 277,958.47</u> | <u>\$ 1,554,959.82</u> | <u>\$ 11,447.42</u>                        |
| Adopted Budget  |                         | \$ 16,818,595.97                     |                            |                      |                        |  |
| Appropriated by 40:4-87   |                         | <u>85,189.91</u>                     |                            |                      |                        |  |
|   |                         | <u>\$ 16,903,785.88</u>              |                            |                      |                        |  |
| Reserve for Federal, State and Local Grants--Appropriated                     |                         |                                      | \$ 252,803.88              |                      |                        |  |
| Reserve for Uncollected Taxes   |                         |                                      | 2,114,616.64               |                      |                        |  |
| Due to Trust - Other Fund - Employee Contributions for Unemployment Insurance |                         |                                      | 8,346.92                   |                      |                        |  |
| Payroll and Related Deductions Payable  |                         |                                      | 6,790,074.76               |                      |                        |  |
| Disbursed   |                         |                                      | <u>5,893,577.97</u>        |                      |                        |  |
|   |                         |                                      | <u>\$ 15,059,420.17</u>    |                      |                        |  |

The accompanying Notes to Financial Statements are an integral part of this statement.



**TOWNSHIP OF DELRAN**  
**TRUST FUND**  
 Statements of Assets, Liabilities and Reserves-- Regulatory Basis  
 As of December 31, 2017 and 2016

| <u>ASSETS</u>                                  | <u>Ref.</u> | <u>2017</u>            | <u>2016</u>            |
|--|-------------|------------------------|------------------------|
| Animal Control Fund:                           |             |                        |                        |
| Cash--Treasurer                                | SB-1        | \$ 13,197.99           | \$ 7,591.83            |
| Change Fund--Township Clerk                    | B           | 50.00                  | 50.00                  |
|  |             | <u>13,247.99</u>       | <u>7,641.83</u>        |
| Open Space Fund:                               |             |                        |                        |
| Cash--Treasurer                                | SB-1        | <u>2,206,105.12</u>    | <u>2,078,592.06</u>    |
| Other Funds:                                   |             |                        |                        |
| Cash--Treasurer                                | SB-1        | 2,322,432.87           | 2,331,665.24           |
| Investments - Length of Service Awards Program | SB-2        | 727,123.92             | 629,568.01             |
| Accounts Receivable - Outside Police           | SB-4        | 5,280.00               | 4,880.00               |
|  |             | <u>3,054,836.79</u>    | <u>2,966,113.25</u>    |
|  |             | <u>\$ 5,274,189.90</u> | <u>\$ 5,052,347.14</u> |

(Continued)

**TOWNSHIP OF DELRAN**  
**TRUST FUND**  
 Statements of Assets, Liabilities and Reserves-- Regulatory Basis  
 As of December 31, 2017 and 2016

| <u>LIABILITIES AND RESERVES</u>                  | <u>Ref.</u> | <u>2017</u>            | <u>2016</u>            |
|--|-------------|------------------------|------------------------|
| Animal Control Fund:                             |             |                        |                        |
| Accounts Payable                                 | SB-5        | \$ 765.00              |                        |
| Reserve for Animal Control                       | SB-5        | 12,482.99              | \$ 7,641.83            |
|  |             | <u>13,247.99</u>       | <u>7,641.83</u>        |
| Open Space Fund:                                 |             |                        |                        |
| Due to Current Fund                              | SB-7        | 9,181.31               | 1,313.14               |
| Due to Capital Fund                              | B-3         | 200,000.00             |                        |
| Reserve for Open Space                           | SB-6        | 1,927,342.57           | 1,886,050.10           |
| Reserve for Payment of Debt                      | SB-8        | 69,581.24              | 191,228.82             |
|  |             | <u>2,206,105.12</u>    | <u>2,078,592.06</u>    |
| Other Funds:                                     |             |                        |                        |
| Accounts Payable                                 | SB-9        | 93,875.32              | 77,971.52              |
| Prepaid Outside Police                           | SB-10       | 17,047.50              | 15,485.00              |
| Due to Current Fund                              | SB-3        | 167,351.32             | 182,517.69             |
| Due to Sewer Operating                           | SB-11       | 1,654.04               | 4,654.04               |
| Reserve for Miscellaneous Trust Reserves:        |             |                        |                        |
| Street Opening Deposits                          | SB-12       | 24,040.66              | 14,036.58              |
| New Jersey Unemployment Insurance                | SB-12       | 60,143.50              | 53,120.81              |
| Planning Escrow Fund Deposits                    | SB-12       | 384,909.72             | 608,396.07             |
| Affordable Housing Trust Funds                   | SB-12       | 814,324.03             | 711,431.53             |
| Public Defender Fees                             | SB-12       | 9,625.00               | 16,168.80              |
| Credit Card Program                              | SB-12       | 7,619.60               | 7,619.60               |
| Parking Offense Adjudication Act                 | SB-12       | 788.00                 | 764.00                 |
| Tax Sale Premiums                                | SB-12       | 447,800.00             | 403,400.00             |
| Delran Day Donations                             | SB-12       | 10,938.64              | 8,770.64               |
| Deposits for Redemption of Tax Sale Certificates | SB-12       | 36,011.18              | 8,901.85               |
| Performance/ Maintenance Escrows                 | SB-12       | 15,197.72              | 15,192.64              |
| Police Emergency Service Equipment               | SB-12       | 1,555.47               | 1,555.47               |
| Special Law Enforcement                          | SB-12       | 27,234.40              | 26,838.08              |
| Length of Service Awards Program                 | SB-12       | 662,786.79             | 591,131.91             |
| Bike Patrol                                      | SB-12       | 9,065.87               | 9,065.87               |
| Jake's Place                                     | SB-12       | 7,004.00               | 2,004.00               |
| Storm Recovery                                   | SB-12       | 40,000.00              | 40,000.00              |
| Accumulated Abscences                            | SB-12       | 175,221.03             | 125,221.03             |
| Multiple-Dwelling Security Deposits              | SB-12       | 14,626.39              | 14,626.39              |
| Kenneth Johnston Memorial Fund                   | SB-12       | 319.23                 | 319.23                 |
| Police Unclaimed Funds                           | SB-12       | 4,806.50               | 4,806.50               |
| Easter Egg Hunt                                  | SB-12       | 726.88                 | 1,950.00               |
| Community Park Donations                         | SB-12       | 18,364.00              | 18,364.00              |
| Mayor's Great Grill Off                          | SB-12       | 1,800.00               | 1,800.00               |
|  |             | <u>3,054,836.79</u>    | <u>2,966,113.25</u>    |
|  |             | <u>\$ 5,274,189.90</u> | <u>\$ 5,052,347.14</u> |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**TRUST - OPEN SPACE FUND**  
 Statements of Operations and Changes in Reserve for Future Use -- Regulatory Basis  
 For the Years Ended December 31, 2017 and 2016

|                                       | <u>2017</u>     | <u>2016</u>     |
|---------------------------------------|-----------------|-----------------|
| <b>REVENUE REALIZED:</b>              |                 |                 |
| Amount to be Raised by Taxation       | \$ 325,000.00   | \$ 325,000.00   |
| Reserve to Pay Debt                   | 142,047.58      |                 |
| Miscellaneous Revenue Not Anticipated | 9,159.02        | 4,436.13        |
|                                       | 476,206.60      | 329,436.13      |
| <b>EXPENDITURES:</b>                  |                 |                 |
| Budget Appropriations:                |                 |                 |
| Deferred Charges to Future Taxation   | 200,000.00      |                 |
| Debt Service                          | 234,914.13      | 218,888.99      |
| Reserved for Future Use               |                 | 112.50          |
|                                       | 434,914.13      | 219,001.49      |
| Excess - Reserve for Future Use       | 41,292.47       | 110,434.64      |
| <b>RESERVE FOR FUTURE USE:</b>        |                 |                 |
| Balance Jan. 1                        | 1,886,050.10    | 1,775,615.46    |
| Balance Dec. 31                       | \$ 1,927,342.57 | \$ 1,886,050.10 |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**TRUST - OPEN SPACE FUND**  
Statement of Revenues -- Regulatory Basis  
For the Year Ended December 31, 2017

|                                       | <u>Modified<br/>Budget</u> | <u>Realized</u>      | <u>Excess</u>      |
|---------------------------------------|----------------------------|----------------------|--------------------|
| Amount to be Raised by Taxation       | \$ 325,000.00              | \$ 325,000.00        |                    |
| Reserve to Pay Debt                   | 142,047.58                 | 142,047.58           |                    |
| Miscellaneous Revenue Not Anticipated |                            | 9,159.02             | \$ 9,159.02        |
|                                       | <u>\$ 467,047.58</u>       | <u>\$ 476,206.60</u> | <u>\$ 9,159.02</u> |

Analysis of Realized Revenues

|  |                      |
|--|----------------------|
| Amount to be Raised by Taxation:           |                      |
| Current Year Levy -- Due from Current Fund | <u>\$ 325,000.00</u> |
| Miscellaneous Revenue Not Anticipated:     |                      |
| Interest on Deposits                       | <u>\$ 9,159.02</u>   |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**TRUST - OPEN SPACE FUND**  
Statement of Expenditures -- Regulatory Basis  
For the Year Ended December 31, 2017

|  | <u>Appropriations</u><br><u>Budget After</u><br><u>Modification</u> | <u>Paid or</u><br><u>Charged</u> | <u>Unexpended</u><br><u>Balance</u><br><u>Canceled</u> |
|--|---|----------------------------------|--|
| Deferred Charges to Future Taxation Unfunded Ord 2011-7                | \$ 200,000.00   | \$ 200,000.00                    |  |
| Debt Service:  |   |                                  |  |
| Payment of Bond Principal  | 84,000.00   | 84,000.00                        |  |
| Payment of Bond Anticipation Note - Reserve for<br>the Payment of Debt | 69,480.00   | 69,480.00                        |  |
| Interest on Bonds  | 60,262.50   | 52,148.44                        | \$ 8,114.06  |
| Interest on Notes  | 29,285.69   | 29,285.69                        |  |
| Reserve for Future Use   | 24,019.39   |                                  | 24,019.39  |
|  | <u>\$ 467,047.58</u>  | <u>\$ 434,914.13</u>             | <u>\$ 32,133.45</u>                                    |
| Disbursed  |   | \$ 225,732.82                    |  |
| Due to Capital Fund  |   | 200,000.00                       |  |
| Due to Current Fund  |   | <u>9,181.31</u>                  |  |
|  |   | <u>\$ 434,914.13</u>             |  |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balances -- Regulatory Basis  
 As of December 31, 2017 and 2016

| <u>ASSETS</u>                                | <u>Ref.</u> | <u>2017</u>      | <u>2016</u>      |
|--|-------------|------------------|------------------|
| Cash   | SC-1        | \$ 2,992,070.26  | \$ 3,162,421.53  |
| Grants Receivable                            | SC-2        | 356,000.00       | 24,364.97        |
| Due From Federal, State and Local Grant Fund | SC-8        | 376,675.27       |                  |
| Due From Trust - Open Space Fund             | SC-8        | 200,000.00       |                  |
| Deferred Charges to Future Taxation:         |             |                  |                  |
| Funded                                       | SC-3        | 2,836,000.00     | 4,164,000.00     |
| Unfunded                                     | SC-4        | 14,262,158.50    | 10,875,102.44    |
|  |             | \$ 21,022,904.03 | \$ 18,225,888.94 |
| <br>   |             |                  |                  |
| <u>LIABILITIES, RESERVES</u>                 |             |                  |                  |
| <u>AND FUND BALANCE</u>                      |             |                  |                  |
| Serial Bonds Payable                         | SC-11       | \$ 2,836,000.00  | \$ 4,164,000.00  |
| Bond Anticipation Note                       | SC-12       | 10,954,000.00    | 9,287,251.00     |
| Due to Current Fund                          | SC-8        | 316,257.06       | 490.55           |
| Due to Federal, State and Local Grant Fund   | SC-8        |                  | 13,930.20        |
| Improvement Authorizations:                  |             |                  |                  |
| Funded                                       | SC-9        | 569,121.36       | 276,602.36       |
| Unfunded                                     | SC-9        | 4,365,520.15     | 2,242,048.55     |
| Contracts Payable                            | SC-10       | 947,997.30       | 1,270,360.13     |
| Capital Improvement Fund                     | SC-5        | 94,293.32        | 168,102.32       |
| Reserves for:                                |             |                  |                  |
| Preliminary Expenses                         | SC-7        | 1,249.94         | 1,249.94         |
| Facilities--Delran Harbor                    | C           | 15,000.00        | 15,000.00        |
| Generator                                    | C           | 20,000.00        | 20,000.00        |
| Traffic Improvements                         | C           | 15,000.00        | 15,000.00        |
| Storm Sewer Maintenance                      | C           | 21,750.00        | 21,750.00        |
| Payment of Bonds                             | SC-6        | 794,077.97       | 657,466.96       |
| Fund Balance                                 | C           | 72,636.93        | 72,636.93        |
|  |             | \$ 21,022,904.03 | \$ 18,225,888.94 |

There were bonds and notes authorized but not issued on December 31, 2017 totaling \$3,308,158.50 and 2016 totaling \$1,587,859.47.

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance--  
 Regulatory Basis  
 As of December 31, 2017 and 2016

| <u>ASSETS</u>                            | <u>Ref.</u> | <u>2017</u>             | <u>2016</u><br><u>(Restated)</u> |
|--|-------------|-------------------------|----------------------------------|
| Operating Fund:                          |             |                         |                                  |
| Cash--Treasurer                          | SD-1        | \$ 6,737,437.51         | \$ 5,408,148.62                  |
| Change Fund--Collector                   | SD-1        | 100.00                  | 100.00                           |
| Due from Trust--Other Fund               | SD-5        | 1,654.04                | 4,654.04                         |
| Due from Sewer Capital Fund              | SD-5        | 246,920.32              | 242,843.63                       |
|  |             | <u>6,986,111.87</u>     | <u>5,655,746.29</u>              |
| Receivables with Full Reserves:          |             |                         |                                  |
| Consumer Accounts Receivable             | SD-4        | 891,743.86              | 949,798.17                       |
| Total Operating Fund                     |             | <u>7,877,855.73</u>     | <u>6,605,544.46</u>              |
| Capital Fund:                            |             |                         |                                  |
| Cash--Treasurer                          | SD-1        | 1,005,578.33            | 971,808.18                       |
| NJEIT Loan Receivable                    | SD-3        | 12,171.37               | 40,662.00                        |
| Fixed Capital                            | SD-8        | 13,272,596.00           | 13,272,596.00                    |
| Fixed Capital Authorized and Uncompleted | SD-9        | 7,954,000.00            | 5,244,000.00                     |
| Total Capital Fund                       |             | <u>22,244,345.70</u>    | <u>19,529,066.18</u>             |
|  |             | <u>\$ 30,122,201.43</u> | <u>\$ 26,134,610.64</u>          |

(Continued)

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY FUND**  
 Statements of Assets, Liabilities, Reserves and Fund Balance--  
 Regulatory Basis  
 As of December 31, 2017 and 2016

| <u>LIABILITIES, RESERVES<br/>AND FUND BALANCES</u> | <u>Ref.</u> | <u>2017</u>             | <u>2016<br/>(Restated)</u> |
|--|-------------|-------------------------|----------------------------|
| Operating Fund:                                    |             |                         |                            |
| Liabilities:                                       |             |                         |                            |
| Appropriation Reserves                             | D-3         | \$ 412,608.73           | \$ 253,221.84              |
| Reserve for Encumbrances                           | D-3         | 347,390.03              | 248,398.93                 |
| Due to Current Fund                                | SD-5        | 19,293.29               | 30,463.65                  |
| Prepaid Connection Fees                            | SD-6        | 137,142.00              | 88,380.40                  |
| Sewer Rent Prepayments                             | SD-7        | 29,855.25               | 9,085.40                   |
| Accrued Interest on Notes and Loans                | SD-11       | 8,052.36                | 5,707.59                   |
| Developer's Escrow Deposits                        | SD-12       | 33,254.32               | 55,799.82                  |
|  |             | <u>987,595.98</u>       | <u>691,057.63</u>          |
| Reserves for Receivables                           | D           | 891,743.86              | 949,798.17                 |
| Fund Balance                                       | D-1         | 5,998,515.89            | 4,964,688.66               |
|  |             | <u>7,877,855.73</u>     | <u>6,605,544.46</u>        |
| Total Operating Fund                               |             |                         |                            |
| Capital Fund:                                      |             |                         |                            |
| Due to Sewer Utility Operating Fund                | SD-5        | 246,920.32              | 242,843.63                 |
| Improvement Authorizations:                        |             |                         |                            |
| Funded   | SD-13       | 491,465.13              | 519,955.76                 |
| Unfunded   | SD-13       | 2,525,620.22            | 1,994,628.59               |
| Contracts Payable & Encumbrances                   | SD-14       | 1,747,934.96            | 150,742.50                 |
| Reserve for Amortization                           | SD-15       | 13,733,289.23           | 13,667,056.99              |
| NJ Environmental Trust Loan Payable                | SD-16       | 1,498,582.14            | 1,593,305.01               |
| Bond Anticipation Notes Payable                    | SD-17       | 640,000.00              |                            |
| Deferred Reserve for Amortization                  | D           | 1,025,450.00            | 1,025,450.00               |
| Capital Improvement Fund                           | D           | 325,000.00              | 325,000.00                 |
| Fund Balance                                       | D           | 10,083.70               | 10,083.70                  |
|  |             | <u>22,244,345.70</u>    | <u>19,529,066.18</u>       |
| Total Capital Fund                                 |             | <u>22,244,345.70</u>    | <u>19,529,066.18</u>       |
|  |             | <u>\$ 30,122,201.43</u> | <u>\$ 26,134,610.64</u>    |

There were bonds and notes authorized but not issued on December 31, 2017 totaling \$4,329,274.63 and 2016 totaling \$2,230,784.00.

The accompanying Notes to Financial Statements are an integral part of this statement.



**TOWNSHIP OF DELRAN**  
**SEWER UTILITY FUND**  
 Statements of Operations and Changes in Fund Balance--Regulatory Basis  
 For the Years Ended December 31, 2017 and 2016

| <u>Revenue and Other Income Realized</u>     | <u>2017</u>             | <u>2016</u>             |
|--|-------------------------|-------------------------|
| Rents  | \$ 3,871,715.87         | \$ 3,757,500.12         |
| Miscellaneous                                | 95,810.85               | 79,007.24               |
| Non-Budget Revenue                           | 91,428.00               | 6,095.20                |
| Other Credits to Income:                     |                         |                         |
| Unexpended Balance of Appropriation Reserves | 233,656.28              | 99,490.17               |
| <br>Total Income                             | <br><u>4,292,611.00</u> | <br><u>3,942,092.73</u> |
| <br><u>Expenditures</u>                      |                         |                         |
| Operating                                    | 2,853,887.00            | 2,720,208.00            |
| Capital Improvements                         | 155,000.00              | 25,000.00               |
| Debt Service                                 | 91,896.77               | 331,924.06              |
| Deferred Charges and Statutory Expenditures  | 158,000.00              | 398,500.00              |
| <br>Total Expenditures                       | <br><u>3,258,783.77</u> | <br><u>3,475,632.06</u> |
| <br>Statutory Excess to Fund Balance         | <br>1,033,827.23        | <br>466,460.67          |
| <br><u>Fund Balance</u>                      |                         |                         |
| Balance Jan. 1                               | <u>4,964,688.66</u>     | <u>4,498,227.99</u>     |
| Balance Dec. 31                              | <u>\$ 5,998,515.89</u>  | <u>\$ 4,964,688.66</u>  |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY OPERATING FUND**  
Statement of Revenues--Regulatory Basis  
For the Year Ended December 31, 2017

|                         | Anticipated<br><u>Budget</u> | <u>Realized</u>        | <u>Excess</u>        |
|-------------------------|------------------------------|------------------------|----------------------|
| Rents                   | \$ 3,280,000.00              | \$ 3,871,715.87        | \$ 591,715.87        |
| Miscellaneous           | 5,000.00                     | 33,170.90              | 28,170.90            |
| Interest on Delinquents | 15,000.00                    | 62,639.95              | 47,639.95            |
|                         | <u>3,300,000.00</u>          | <u>3,967,526.72</u>    | <u>667,526.72</u>    |
| Non-Budget Revenue      | -                            | 91,428.00              | 91,428.00            |
|                         | <u>\$ 3,300,000.00</u>       | <u>\$ 4,058,954.72</u> | <u>\$ 758,954.72</u> |

Analysis of Realized Revenue:

Rents:

Consumer Accounts Receivable:

|                      |                        |
|----------------------|------------------------|
| Collected            | \$ 3,862,630.47        |
| Overpayments Applied | <u>9,085.40</u>        |
|                      | <u>\$ 3,871,715.87</u> |

Analysis of Miscellaneous Revenue:

Interest on Investments:

|   |                 |
|---|-----------------|
| Collected in Sewer Utility Operating Fund | \$ 24,315.02    |
| Return Check Charges                      | 460.00          |
| Other - Miscellaneous                     | <u>4,319.19</u> |
|   | 29,094.21       |

Interest on Investments:

|   |                     |
|---|---------------------|
| Collected in Sewer Utility Capital Fund | <u>4,076.69</u>     |
|   | <u>\$ 33,170.90</u> |

Analysis of Miscellaneous Revenue Not Anticipated:

|                 |                     |
|-----------------|---------------------|
| Connection Fees | <u>\$ 91,428.00</u> |
|-----------------|---------------------|

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY OPERATING FUND**  
Statement of Expenditures--Regulatory Basis  
For the Year Ended December 31, 2017

|  | Appropriations         |                           | Expended               |                      |                      |                     |
|--|------------------------|---------------------------|------------------------|----------------------|----------------------|---------------------|
|  | Budget                 | Budget After Modification | Paid or Charged        | Encumbered           | Reserved             | Cancelled           |
| Operating:   |                        |                           |                        |                      |                      |                     |
| Salaries and Wages   | \$ 880,962.00          | \$ 880,962.00             | \$ 781,368.58          |                      | \$ 99,593.42         |                     |
| Other Expenses   | 1,972,925.00           | 1,972,925.00              | 1,478,556.25           | \$ 255,506.03        | 238,862.72           |                     |
| <b>Total Operating</b>   | <b>2,853,887.00</b>    | <b>2,853,887.00</b>       | <b>2,259,924.83</b>    | <b>255,506.03</b>    | <b>338,456.14</b>    | <b>\$ -</b>         |
| Capital Improvements:  |                        |                           |                        |                      |                      |                     |
| Capital Outlay   | 25,000.00              | 25,000.00                 |                        |                      | 25,000.00            |                     |
| Purchase of Utility Trucks                                     | 100,000.00             | 100,000.00                |                        | 91,884.00            | 8,116.00             |                     |
| Purchase of Utility Equipment                                  | 30,000.00              | 30,000.00                 |                        |                      | 30,000.00            |                     |
|  | 155,000.00             | 155,000.00                | -                      | 91,884.00            | 63,116.00            | -                   |
| Debt Service:  |                        |                           |                        |                      |                      |                     |
| Interest on Notes  | 10,000.00              | 10,000.00                 | 2,725.27               |                      |                      | 7,274.73            |
| Principal & Interest on Loans                                  | 123,113.00             | 123,113.00                | 89,171.50              |                      |                      | 33,941.50           |
| <b>Total Capital Improvements</b>                              | <b>133,113.00</b>      | <b>133,113.00</b>         | <b>91,896.77</b>       | <b>-</b>             | <b>-</b>             | <b>41,216.23</b>    |
| Deferred Charges and Statutory Expenditures:                   |                        |                           |                        |                      |                      |                     |
| Statutory Expenditures:  |                        |                           |                        |                      |                      |                     |
| Contribution to:   |                        |                           |                        |                      |                      |                     |
| Public Employees Retirement System                             | 86,000.00              | 86,000.00                 | 86,000.00              |                      |                      |                     |
| Social Security System (O.A.S.I)                               | 69,000.00              | 69,000.00                 | 57,963.41              |                      | 11,036.59            |                     |
| Unemployment Compensation Insurance<br>(N.J.S.43:21-3 et seq.) | 3,000.00               | 3,000.00                  | 3,000.00               |                      |                      |                     |
| <b>Total Deferred Charges and Statutory Expenditures</b>       | <b>158,000.00</b>      | <b>158,000.00</b>         | <b>146,963.41</b>      | <b>-</b>             | <b>11,036.59</b>     | <b>-</b>            |
| <b>Total</b>   | <b>\$ 3,300,000.00</b> | <b>\$ 3,300,000.00</b>    | <b>\$ 2,498,785.01</b> | <b>\$ 347,390.03</b> | <b>\$ 412,608.73</b> | <b>\$ 41,216.23</b> |
| Disbursed by Current Fund                                      |                        |                           | \$ 781,368.58          |                      |                      |                     |
| Accrued Interest   |                        |                           | 19,326.03              |                      |                      |                     |
| Due to Trust-Other Fund  |                        |                           | 3,000.00               |                      |                      |                     |
| Disbursed  |                        |                           | 1,695,090.40           |                      |                      |                     |
|  |                        |                           | <u>\$ 2,498,785.01</u> |                      |                      |                     |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
 General Fixed Asset Group of Accounts  
 Statement of General Fixed Assets--Regulatory Basis  
 As of December 31, 2017

|   | (Restated)<br>Balance<br><u>Dec. 31, 2016</u> | <u>Additions</u> | <u>Deletions</u> | Balance<br><u>Dec. 31, 2017</u> |
|---|---|------------------|------------------|---------------------------------|
| General Fixed Assets:                       |   |                  |                  |                                 |
| Land and Land Improvements                  | \$ 5,727,070.00                               |                  |                  | \$ 5,727,070.00                 |
| Building                                    | 7,375,714.00                                  |                  |                  | 7,375,714.00                    |
| Equipment and Vehicles                      | 4,894,725.00                                  | \$ 139,939.00    | \$ 315,000.00    | 4,719,664.00                    |
| Total Investment in<br>General Fixed Assets | \$ 17,997,509.00                              | \$ 139,939.00    | \$ 315,000.00    | \$ 17,822,448.00                |

The accompanying Notes to Financial Statements are an integral part of this statement.

**TOWNSHIP OF DELRAN**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2017**

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**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Description of Financial Reporting Entity** - The Township of Delran was incorporated in 1880 and is located in Burlington County, New Jersey approximately fifteen miles from the City of Philadelphia. The population according to the latest census is 13,178.

The Township has a Mayor-Council form of government known as the Mayor-Council Plan D under the Optional Municipal Charter Law of 1960, popularly known as the Faulkner Act. The Mayor and two Council members are elected at large and three Council members are elected by ward. All members serve four-year terms.

**Component Units** - The Township had no component units as defined by Governmental Accounting Standards Board Statement No. 14, as amended by GASB Statements No. 39, No. 61 and No. 80.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**- The financial statements of the Township of Delran contain all funds and account groups in accordance with the *Requirements of Audit ("Requirements")* as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the *Requirements* are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these *Requirements*. In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the *Requirements*, the Township of Delran accounts for its financial transactions through the use of separate funds and an account group which are described as follows:

**Current Fund** - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

**Trust Funds** - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

**General Capital Fund** - The General Capital Fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

**Sewer Utility Operating and Capital Funds** - The Sewer Utility Operating and Capital Funds account for the operations and acquisition of capital facilities of the municipally owned Sewer operations.

**General Fixed Asset Group of Accounts** - The general fixed asset group of accounts is utilized to account for property, land, buildings, and equipment that have been acquired by other governmental funds.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Budgets and Budgetary Accounting** - The Township of Delran must adopt an annual budget for its current, open space trust and sewer utility funds in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual municipal budget no later than February 10 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the municipality. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the municipal budget may be granted by the Director of the Division of Local Government Services, with the permission of the Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the Township's financial statements.

**Cash, Cash Equivalents and Investments** - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost; therefore, unrealized gains or losses on investments have not been recorded. Investments recorded in the trust fund for the Township's length of service awards program, however, are stated at fair value.

New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local authorities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the Township of Delran requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

**Interfunds** - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

**Inventories of Supplies** - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**General Fixed Assets** - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and *Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Part 200, §200.12), except that the useful life of such property is at least five years. The Township has adopted a capitalization threshold of \$5,000, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost; however, assets acquired prior to December 31, 1985 are valued at actual historical cost or estimated historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at acquisition value as of the date of the transaction. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The Township is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a statement of general fixed asset group of accounts, reflecting the activity for the year, must be included in the Township's basic financial statements.

The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that include accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage or theft.

**Utility Fixed Assets** - Property and equipment purchased by a utility fund are recorded in the utility capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not represent replacement cost or current value. The Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represent charges to operations for the cost of acquisition of property and equipment, improvements, and contributed capital.

**Foreclosed Property** - Foreclosed property is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. Ordinarily it is the intention of the municipality to resell foreclosed property in order to recover all or a portion of the delinquent taxes or assessments and to return the property to a taxpaying basis. For this reason the value of foreclosed property has not been included in the general fixed asset group of accounts. If such property is converted to a municipal use, it will be recorded in the general fixed asset group of accounts.

**Deferred Charges** - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

**Liens Sold for Other Governmental Units** - Liens sold on behalf of other governmental units are not recorded on the records of the tax collector until such liens are collected. Upon their collection, such liens are recorded as a liability due to the governmental unit net of the costs of the initial sale. The related costs of sale are recognized as revenue when received.

**Fund Balance** - Fund Balances included in the current fund and utility operating fund represent amounts available for anticipation as revenue in future year's budgets, with certain restrictions.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Revenues** - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the Township's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the Township's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due to the Township which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

**Property Tax Revenues** - Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1. The amount of tax levied includes not only the amount required in support of the Township's annual budget, but also the amounts required in support of the budgets of the County of Burlington, Township of Delran School District, the Township's Open Space Fund and the Township of Delran Fire District. Unpaid property taxes are subject to tax sale in accordance with the statutes.

**School Taxes** - The Township is responsible for levying, collecting and remitting school taxes for the Township of Delran School District. Operations is charged for the full amount required to be raised from taxation to operate the local school district for the period from January 1 to December 31.

**County Taxes** - The Township is responsible for levying, collecting and remitting county taxes for the County of Burlington. County taxes are determined on a calendar year by the County Board of Taxation based upon the ratables required to be certified to them on January 10 of each year. Operations is charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations is charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

**Fire District Taxes** - The Township is responsible for levying, collecting, and remitting Fire District Taxes for Township of Delran Fire District. Operations is charged for the full amount required to be raised from taxation to operate the Fire District for the period from January 1 to December 31.

**Open Space Fund** - In 2005, the Township established an Open Space Trust Fund as a result of a referendum passed in the general election in November 2004. The amount raised each year is limited to \$325,000.00.

**Reserve for Uncollected Taxes** - The inclusion of the "Reserve for Uncollected Taxes" appropriation in the Township's annual budget protects the Township from taxes not paid currently. The Reserve, the minimum amount of which is determined on the percentage of collections experienced in the immediate preceding year, with certain exceptions, is required to provide assurance that cash collected in the current year will provide sufficient cash flow to meet expected obligations.

**Expenditures** - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same statutory provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis; interest on general capital indebtedness is on the cash basis; whereas interest on utility indebtedness is on the accrual basis.



**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Appropriation Reserves** - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

**Long-Term Debt** - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital and Utility Capital Funds. Where an improvement is a "local Improvement", i.e. assessable upon completion, long-term debt associated with that portion of the cost of the improvement to be funded by assessments is transferred to the Trust Fund upon the confirmation of the assessments or when the improvement is fully and permanently funded.

**Compensated Absences and Postemployment Benefits** - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for postemployment benefits, if any, which are also funded on a pay-as-you-go basis.

**Pensions** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Police and Firemen's Retirement System (PFRS) and the Public Employees' Retirement System (PERS), and additions to/deductions from PFRS' and PERS' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits might not be recovered. Although the Township does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the municipality in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, bail funds, or funds that may pass to the municipality relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below.

As of December 31, 2017, the Township's bank balances of \$28,823,481.25 were exposed to custodial credit risk as follows:

|                                |                         |
|--------------------------------|-------------------------|
| Insured by FDIC                | \$ 500,000.00           |
| Insured by GUDPA               | 27,281,849.76           |
| Uninsured and Uncollateralized | <u>1,041,631.49</u>     |
| Total                          | <u>\$ 28,823,481.25</u> |

**New Jersey Cash Management Fund** - During the year, the Township participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At December 31, 2017 the Township's deposits with the New Jersey Cash Management Fund are \$223,190.44.

**Note 3: PROPERTY TAXES**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years:

**Comparative Schedule of Tax Rates**

|                                | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|
| Tax Rate                       | \$ 3.723    | \$ 3.668    | \$ 3.607    | \$ 3.450    | \$ 3.386    |
| Apportionment of Tax Rate:     |             |             |             |             |             |
| Municipal                      | \$ 0.761    | \$ 0.764    | \$ 0.765    | \$ 0.756    | \$ 0.756    |
| Municipal Open Space           | 0.023       | 0.023       | 0.023       | 0.023       | 0.023       |
| County & County Library        | 0.386       | 0.394       | 0.411       | 0.408       | 0.414       |
| County Open Space Preservation |             |             |             |             |             |
| Trust Fund                     | 0.043       | 0.043       | 0.044       | 0.017       | 0.017       |
| Local School                   | 2.353       | 2.294       | 2.209       | 2.113       | 2.042       |
| Special District Rates:        |             |             |             |             |             |
| Fire District                  | 0.157       | 0.150       | 0.155       | 0.133       | 0.134       |

**Assessed Valuation**

| <u>Year</u> | <u>Assessed<br/>Valuation</u> |
|-------------|-------------------------------|
| 2017        | \$ 1,407,526,492.00           |
| 2016        | 1,401,551,386.00              |
| 2015        | 1,399,747,792.00              |
| 2014        | 1,403,370,633.00              |
| 2013        | 1,408,433,780.00              |

**Comparison of Tax Levies and Collections**

| <u>Year</u> | <u>Tax Levy</u>  | <u>Collections</u> | <u>Percentage<br/>of Collections</u> |
|-------------|------------------|--------------------|--------------------------------------|
| 2017        | \$ 52,617,638.70 | \$ 51,936,735.45   | 98.71%                               |
| 2016        | 51,633,084.37    | 50,854,874.92      | 98.49%                               |
| 2015        | 50,868,960.59    | 50,166,878.86      | 98.62%                               |
| 2014        | 48,425,442.76    | 47,906,370.48      | 98.93%                               |
| 2013        | 47,740,389.50    | 47,060,436.15      | 98.58%                               |

**Note 3: PROPERTY TAXES (CONT'D)**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four calendar years (Cont'd):

**Delinquent Taxes and Tax Title Liens**

| <u>Year</u> | <u>Tax Title Liens</u> | <u>Delinquent Taxes</u> | <u>Total Delinquent</u> | <u>Percentage of Tax Levy</u> |
|-------------|------------------------|-------------------------|-------------------------|-------------------------------|
| 2017        | \$ 163,064.45          | \$ 619,048.14           | \$ 782,112.59           | 1.49%                         |
| 2016        | 127,116.94             | 722,858.24              | 849,975.18              | 1.65%                         |
| 2015        | 104,711.44             | 682,998.77              | 787,710.21              | 1.55%                         |
| 2014        | 86,831.68              | 459,969.01              | 546,800.69              | 1.13%                         |
| 2013        | 76,525.03              | 618,237.15              | 694,762.18              | 1.46%                         |

The following comparison is made of the number of tax title liens receivable on December 31 of the last five years:

| <u>Year</u> | <u>Number of Tax Title Liens Receivable</u> |
|-------------|---|
| 2017        | 13  |
| 2016        | 11  |
| 2015        | 10  |
| 2014        | 9   |
| 2013        | 9   |

**Note 4: PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of property acquired by liquidation of tax title liens on December 31, on the basis of the last assessed valuation of such properties, for the current and previous four years was as follows:

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2017        | \$ 282,015.00 |
| 2016        | 282,015.00    |
| 2015        | 282,015.00    |
| 2014        | 282,015.00    |
| 2013        | 282,015.00    |

**Note 5: SEWER UTILITY SERVICE CHARGES**

The following is a five-year comparison of sewer utility service charges (rents) for the current and previous four years:

| <u>Year</u> | <u>Receivable<br/>Balance as of<br/>January 1</u> | <u>Levy</u>     | <u>Total</u>    | <u>Collections</u> | <u>Percentage of<br/>Collection</u> |
|-------------|---|-----------------|-----------------|--------------------|-------------------------------------|
| 2017        | \$ 949,798.17                                     | \$ 3,876,301.51 | \$ 4,826,099.68 | \$ 3,934,355.82    | 81.52%                              |
| 2016        | 844,529.62  | 3,923,298.51    | 4,767,828.13    | 3,818,029.96       | 80.08%                              |
| 2015        | 886,294.99  | 3,902,499.31    | 4,788,794.30    | 3,944,264.68       | 82.36%                              |
| 2014        | 962,244.02  | 3,785,385.74    | 4,747,629.76    | 3,861,334.77       | 81.33%                              |
| 2013        | 895,064.24  | 3,793,670.78    | 4,688,735.02    | 3,726,491.00       | 79.48%                              |

**Note 6: FUND BALANCES APPROPRIATED**

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets:

| <u>Year</u>                                | <u>Balance<br/>Dec. 31</u> | <u>Utilized<br/>In Budget of<br/>Succeeding Year</u> | <u>Percentage<br/>of Fund<br/>Balance Used</u> |
|--|----------------------------|--|--|
| <b><u>Current Fund</u></b>                 |                            |  |  |
| 2017                                       | \$ 8,737,686.32            | \$ 3,748,000.00                                      | 42.89%   |
| 2016                                       | 8,794,642.68               | 3,500,000.00   | 39.80%   |
| 2015                                       | 8,006,811.57               | 3,000,000.00   | 37.47%   |
| 2014                                       | 6,831,386.39               | 2,560,000.00   | 37.47%   |
| 2013                                       | 5,678,253.12               | 2,700,000.00   | 47.55%   |
| <b><u>Sewer Utility Operating Fund</u></b> |                            |  |  |
| 2017                                       | \$ 5,998,516.00            | None   | None   |
| 2016                                       | 4,964,688.66               | None   | None   |
| 2015                                       | 4,498,177.99               | None   | None   |
| 2014                                       | 3,571,927.55               | None   | None   |
| 2013                                       | 2,304,592.23               | None   | None   |

**Note 7: INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2017:

| <u>Fund</u>                  | <u>Interfunds<br/>Receivables</u> | <u>Interfunds<br/>Payable</u> |
|------------------------------|-----------------------------------|-------------------------------|
| Current Fund                 | \$ 512,082.98                     |                               |
| Federal and State Grant Fund |                                   | \$ 376,675.27                 |
| Trust-Open Space Fund        |                                   | 209,181.31                    |
| Trust-Other Funds            |                                   | 169,005.36                    |
| General Capital Fund         | 576,675.27                        | 316,257.06                    |
| Sewer Utility Operating Fund | 248,574.36                        | 19,293.29                     |
| Sewer Utility Capital Fund   |                                   | 246,920.32                    |
|                              | <u>\$1,337,332.61</u>             | <u>\$1,337,332.61</u>         |

The interfund receivables and payables above predominately resulted from collections and payments made by certain funds on behalf of other funds. During the year 2018, the Township expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 8: PENSION PLANS**

A substantial number of the Township's employees participate in one of the following defined benefit pension plans: the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several Township employees participate in the Defined Contribution Retirement Program ("DCRP"), which is a defined contribution pension plan. This Plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each Plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<http://www.state.nj.us/treasury/pensions/financial-reports.shtml>

**General Information about the Pension Plans****Plan Descriptions**

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the Township, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

**Police and Firemen's Retirement System** - The Police and Firemen's Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A. The PFRS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PFRS is mandatory for substantially all full-time police and firemen of the Township. The PFRS's Board of Trustees is primarily responsible for the administration of the PFRS.

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in PFRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The following represents the membership tiers for PERS:

**Tier Definition**

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Police and Firemen's Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:16A. The PFRS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except disability benefits, which vest after four years of service.

The following represents the membership tiers for PFRS:

**Tier Definition**

- 1 Members who were enrolled prior to May 22, 2010
- 2 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 3 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits are available at age 55 and are generally determined to be 2% of final compensation for each year of creditable service up to 30 years plus 1% for each year of service in excess of 30 years. Members may seek special retirement after achieving 25 years of creditable service, in which benefits would equal 65% (tiers 1 and 2 members) and 60% (tier 3 members) of final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Members may elect deferred retirement benefits after achieving ten years of service, in which case benefits would begin at age 55 equal to 2% of final compensation for each year of service.

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and non-forfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and non-forfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.20% in State fiscal year 2017. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) was 10% in State fiscal year 2017. Employers' contribution are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

The Township's contractually required contribution rate for the year ended December 31, 2017 was 13.30% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$336,624.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PERS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$319,696.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$186,579.47.

**Police and Firemen's Retirement System** - The contribution policy is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate was 10% in State fiscal year 2017. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.



**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Police and Firemen's Retirement System (Cont'd) - Special Funding Situation Component** - Under N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.L. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.L. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a *special funding situation* as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The Township's contractually required contribution rate for the year ended December 31, 2017 was 25.92% of the Township's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Based on the most recent PFRS measurement date of June 30, 2017, the Township's contractually required contribution to the pension plan for the year ended December 31, 2017 is \$761,124.00, and is payable by April 1, 2018. Due to the basis of accounting described in note 1, no liability has been recorded in the financial statements for this amount. Based on the PFRS measurement date of June 30, 2016, the Township's contractually required contribution to the pension plan for the year ended December 31, 2016 was \$710,436.00, which was paid on April 1, 2017. Employee contributions to the Plan during the year ended December 31, 2017 were \$293,663.10.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the Township, for the year ended December 31, 2017 was 2.53% of the Township's covered payroll.

Based on the most recent PFRS measurement date of June 30, 2017, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2017 is \$74,362.00, and is payable by April 1, 2018. Based on the PFRS measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the Township, to the pension plan for the year ended December 31, 2017 was \$53,558.00, which was paid on April 1, 2017.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the Township contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the year ended December 31, 2017, employee contributions totaled \$1,473.96, and the Township's contributions were \$1,043.05. There were no forfeitures during the year.

**Note 8: PENSION PLANS (CONT'D)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

**Public Employees' Retirement System** - At December 31, 2017, the Township's proportionate share of the PERS net pension liability was \$8,458,685.00. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2017 measurement date, the Township's proportion was .0363370542%, which was an increase of .0003508836% from its proportion measured as of June 30, 2016.

At December 31, 2017, the Township's proportionate share of the PERS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$634,161.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Township's contribution to PERS was \$319,696.00, and was paid on April 1, 2017.

**Police and Firemen's Retirement System** - At December 31, 2017, the Township's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

|   |                  |
|---|------------------|
| Township's Proportionate Share of Net Pension Liability   | \$ 13,276,879.00 |
| State of New Jersey's Proportionate Share of Net Pension Liability Associated with the Township | 1,487,122.00     |
|   | \$ 14,764,001.00 |

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. The Township's proportion of the net pension liability was based on a projection of the Township's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. For the June 30, 2017 measurement date, the Township's proportion was .0860009182%, which was a decrease of .0011327295% from its proportion measured as of June 30, 2016. Likewise, at June 30, 2017, the State of New Jersey's proportion, on-behalf of the Township, was .0860009182%, which was a decrease of .0011327295% from its proportion, on-behalf of the Township, measured as of June 30, 2016.

At December 31, 2017, the Township's proportionate share of the PFRS pension expense, calculated by the Plan as of the June 30, 2017 measurement date is \$1,191,170.00. This expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1; however, as previously mentioned, for the year ended December 31, 2017, the Township's contribution to PFRS was \$710,436.00, and was paid on April 1, 2017.

At December 31, 2017, the State's proportionate share of the PFRS pension expense, associated with the Township, calculated by the Plan as of the June 30, 2017 measurement date is \$181,909.00. This on-behalf expense is not recognized by the Township because of the regulatory basis of accounting as described in note 1.

Note 8: **PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources** - At December 31, 2017, the Township had deferred outflows and inflows of resources related to pensions from the following sources:

|   | Deferred Outflows of Resources |                        |                        | Deferred Inflows of Resources |                        |                        |
|---|--------------------------------|------------------------|------------------------|-------------------------------|------------------------|------------------------|
|   | <u>PERS</u>                    | <u>PFRS</u>            | <u>Total</u>           | <u>PERS</u>                   | <u>PFRS</u>            | <u>Total</u>           |
| Differences between Expected and Actual Experience  | \$ 199,173.00                  | \$ 86,133.00           | \$ 285,306.00          | \$ -                          | \$ 77,924.00           | \$ 77,924.00           |
| Changes of Assumptions  | 1,704,134.00                   | 1,637,187.00           | 3,341,321.00           | 1,697,886.00                  | 2,174,365.00           | 3,872,251.00           |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments                              | 57,598.00                      | 253,354.00             | 310,952.00             | -                             | -                      | -                      |
| Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions | 193,757.00                     | 150,312.00             | 344,069.00             | 141,427.00                    | 468,039.00             | 609,466.00             |
| Township Contributions Subsequent to the Measurement Date   | 168,312.00                     | 380,562.00             | 548,874.00             | -                             | -                      | -                      |
|   | <u>\$ 2,322,974.00</u>         | <u>\$ 2,507,548.00</u> | <u>\$ 4,830,522.00</u> | <u>\$ 1,839,313.00</u>        | <u>\$ 2,720,328.00</u> | <u>\$ 4,559,641.00</u> |

\$168,312.00 and \$380,562.00 for PERS and PFRS, respectively, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the year ending December 31, 2018. These amounts were based on an estimated April 1, 2019 contractually required contribution, prorated from the pension plans' measurement date of June 30, 2017 to the Township's year end of December 31, 2017.

Note 8: **PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - The Township will amortize the above other deferred outflow of resources and deferred inflows of resources related to pensions over the following number of years:

|   | <b>PERS</b>                                  |   | <b>PFRS</b>                                  |   |
|---|--|---|--|---|
|   | <b><u>Deferred Outflows of Resources</u></b> | <b><u>Deferred Inflows of Resources</u></b> | <b><u>Deferred Outflows of Resources</u></b> | <b><u>Deferred Inflows of Resources</u></b> |
| Differences between Expected and Actual Experience  |  |   |  |   |
| Year of Pension Plan Deferral:  |  |   |  |   |
| June 30, 2014   | -  | -   | -  | -   |
| June 30, 2015   | 5.72   | -   | -  | 5.53  |
| June 30, 2016   | 5.57   | -   | -  | 5.58  |
| June 30, 2017   | 5.48   | -   | 5.59   | -   |
| Changes of Assumptions  |  |   |  |   |
| Year of Pension Plan Deferral:  |  |   |  |   |
| June 30, 2014   | 6.44   | -   | 6.17   | -   |
| June 30, 2015   | 5.72   | -   | 5.53   | -   |
| June 30, 2016   | 5.57   | -   | 5.58   | -   |
| June 30, 2017   | -  | 5.48  | -  | 5.59  |
| Net Difference between Projected and Actual Earnings on Pension Plan Investments                              |  |   |  |   |
| Year of Pension Plan Deferral:  |  |   |  |   |
| June 30, 2014   | -  | 5.00  | -  | 5.00  |
| June 30, 2015   | -  | 5.00  | -  | 5.00  |
| June 30, 2016   | 5.00   | -   | 5.00   | -   |
| June 30, 2017   | 5.00   | -   | 5.00   | -   |
| Changes in Proportion and Differences between Township Contributions and Proportionate Share of Contributions |  |   |  |   |
| Year of Pension Plan Deferral:  |  |   |  |   |
| June 30, 2014   | 6.44   | 6.44  | 6.17   | 6.17  |
| June 30, 2015   | 5.72   | 5.72  | 5.53   | 5.53  |
| June 30, 2016   | 5.57   | 5.57  | 5.58   | 5.58  |
| June 30, 2017   | 5.48   | 5.48  | 5.59   | 5.59  |

Note 8: **PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)** - Other amounts included as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in future periods as follows:

| <b>Year Ending<br/>Dec 31,</b> | <b><u>PERS</u></b>   | <b><u>PFRS</u></b>     | <b><u>Total</u></b>    |
|--------------------------------|----------------------|------------------------|------------------------|
| 2018                           | \$ 196,569.00        | \$ 97,592.00           | \$ 294,161.00          |
| 2019                           | 297,928.00           | 373,581.00             | 671,509.00             |
| 2020                           | 197,914.00           | (88,945.00)            | 108,969.00             |
| 2021                           | (207,255.00)         | (688,922.00)           | (896,177.00)           |
| 2022                           | (169,807.00)         | (286,648.00)           | (456,455.00)           |
|                                | <u>\$ 315,349.00</u> | <u>\$ (593,342.00)</u> | <u>\$ (277,993.00)</u> |

**Actuarial Assumptions**

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

|  | <b><u>PERS</u></b>           | <b><u>PFRS</u></b>           |
|--|------------------------------|------------------------------|
| Inflation Rate   | 2.25%                        | 2.25%                        |
| Salary Increases:  |                              |                              |
| Through 2026   | 1.65% - 4.15% Based on Age   | 2.10% - 8.98% Based on Age   |
| Thereafter   | 2.65% - 5.15% Based on Age   | 3.10% - 9.98% Based on Age   |
| Investment Rate of Return  | 7.00%                        | 7.00%                        |
| Mortality Rate Table   | RP-2000                      | RP-2000                      |
| Period of Actuarial Experience<br>Study upon which Actuarial<br>Assumptions were Based | July 1, 2011 - June 30, 2014 | July 1, 2010 - June 30, 2013 |

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

For PERS, preretirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Plan actuary's modified MP-2014 projection scale. Postretirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the Plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

For PFRS, preretirement mortality rates were based on the RP-2000 Preretirement mortality tables projected thirteen years using Projection Scale BB and then projected on a generational basis using the Plan actuary's modified 2014 projection scales. Post-retirement mortality rates for male service retirements and beneficiaries are based the RP-2000 Combined Healthy Mortality Tables projected one year using Projection Scale AA and three years using the Plan actuary's modified 2014 projection scales and further projected on a generational basis using the Plan actuary's modified 2014 projection scales. Postretirement mortality rates for female service retirements and beneficiaries were based on the RP-2000 Combined Healthy Mortality Tables projected thirteen years using Projection Scale BB and then three years using the Plan actuary's modified 2014 projection scales and further projected on a generational basis using the Plan actuary's modified 2014 projection scales. Disability mortality rates were based on special mortality tables used for the period after disability retirement.

For PERS and PFRS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's and PFRS's target asset allocation as of June 30, 2017 are summarized in the following table:

Note 8: PENSION PLANS (CONT'D)Actuarial Assumptions (Cont'd)

| <u>Asset Class</u>                | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-----------------------------------|--------------------------|---|
| Absolute Return/Risk Mitigation   | 5.00%                    | 5.51%   |
| Cash Equivalents                  | 5.50%                    | 1.00%   |
| U.S. Treasuries                   | 3.00%                    | 1.87%   |
| Investment Grade Credit           | 10.00%                   | 3.78%   |
| Public High Yield                 | 2.50%                    | 6.82%   |
| Global Diversified Credit         | 5.00%                    | 7.10%   |
| Credit Oriented Hedge Funds       | 1.00%                    | 6.60%   |
| Debt Related Private Equity       | 2.00%                    | 10.63%  |
| Debt Related Real Estate          | 1.00%                    | 6.61%   |
| Private Real Estate               | 2.50%                    | 11.83%  |
| Equity Related Real Estate        | 6.25%                    | 9.23%   |
| U.S. Equity                       | 30.00%                   | 8.19%   |
| Non-U.S. Developed Markets Equity | 11.50%                   | 9.00%   |
| Emerging Markets Equity           | 6.50%                    | 11.64%  |
| Buyouts/Venture Capital           | 8.25%                    | 13.08%  |
|                                   | <u>100.00%</u>           |   |

**Discount Rate** - The discount rate used to measure the total pension liability at June 30, 2017 was 5.00% for PERS and 6.14% for PFRS. For both PERS and PFRS, the respective single blended discount rates were based on the long-term expected rate of return on pension Plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates assumed that contributions from Plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current Plan members through 2040 for PERS and through 2057 for PFRS; therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments through 2040 for PERS and through 2057 for PFRS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liabilities.

**Note 8: PENSION PLANS (CONT'D)****Sensitivity of Township's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Public Employees' Retirement System (PERS)** - The following presents the Township's proportionate share of the net pension liability at June 30, 2017, the Plan's measurement date, calculated using a discount rate of 5.00%, as well as what the Township's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

|  | <b>1%<br/>Decrease<br/>(4.00%)</b> | <b>Current<br/>Discount Rate<br/>(5.00%)</b> | <b>1%<br/>Increase<br/>(6.00%)</b> |
|--|------------------------------------|--|------------------------------------|
| Township's Proportionate Share<br>of the Net Pension Liability | <u>\$ 10,493,573.00</u>            | <u>\$ 8,458,685.00</u>                       | <u>\$ 6,763,372.00</u>             |

**Police and Firemen's Retirement System (PFRS)** - As previously mentioned, PFRS has a special funding situation, where the State of New Jersey pays a portion of the Township's annual required contribution. As such, the net pension liability as of June 30, 2017, the Plan's measurement date, for the Township and the State of New Jersey, calculated using a discount rate of 6.14%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

|   | <b>1%<br/>Decrease<br/>(5.14%)</b> | <b>Current<br/>Discount Rate<br/>(6.14%)</b> | <b>1%<br/>Increase<br/>(7.14%)</b> |
|---|------------------------------------|--|------------------------------------|
| Township's Proportionate Share<br>of the Net Pension Liability  | \$ 17,493,381.00                   | \$ 13,276,879.00                             | \$ 9,812,543.00                    |
| State of New Jersey's Proportionate<br>Share of Net Pension Liability<br>associated with the Township | <u>1,959,405.70</u>                | <u>1,487,122.00</u>                          | <u>1,099,087.23</u>                |
|   | <u>\$ 19,452,786.70</u>            | <u>\$ 14,764,001.00</u>                      | <u>\$ 10,911,630.23</u>            |

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the PERS and PFRS and additions to/deductions from PERS and PFRS' respective fiduciary net position have been determined on the same basis as they are reported by PERS and PFRS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about PERS and PFRS, please refer to the Plan's Comprehensive Annual Financial Report (CAFR) which can be found at <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.



**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information**

In accordance with GASBS 68, the following information is also presented for the PERS and PFRS Pension Plans. These schedules are presented to illustrate the requirements to show information for 10 years; however, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

***Schedule of the Township's Proportionate Share of the Net Pension Liability - Public Employees' Retirement System (PERS) (Last Five Years)***

|  | <u>Measurement Date Ended June 30,</u> |                  |                 |
|--|--|------------------|-----------------|
|  | <u>2017</u>                            | <u>2016</u>      | <u>2015</u>     |
| Township's Proportion of the Net Pension Liability   | 0.0363370542%                          | 0.0359861706%    | 0.0349554359%   |
| Township's Proportionate Share of the Net Pension Liability                                    | \$ 8,458,685.00                        | \$ 10,658,072.00 | \$ 7,846,795.00 |
| Township's Covered Payroll (Plan Measurement Period)   | \$ 2,537,328.00                        | \$ 2,528,524.00  | \$ 2,360,716.00 |
| Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 333.37%                                | 421.51%          | 332.39%         |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                     | 48.10%                                 | 40.14%           | 47.93%          |
|  | <u>Measurement Date Ended June 30,</u> |                  |                 |
|  | <u>2014</u>                            | <u>2013</u>      |                 |
| Township's Proportion of the Net Pension Liability   | 0.0361696042%                          | 0.0365878531%    |                 |
| Township's Proportionate Share of the Net Pension Liability                                    | \$ 6,771,939.00                        | \$ 6,992,666.00  |                 |
| Township's Covered Payroll (Plan Measurement Period)   | \$ 2,484,836.00                        | \$ 2,530,596.00  |                 |
| Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 272.53%                                | 276.32%          |                 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                     | 52.08%                                 | 48.72%           |                 |

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Public Employees' Retirement System (PERS) (Last Five Years)***

|  | <u>Year Ended December 31,</u> |                     |                     |
|--|--------------------------------|---------------------|---------------------|
|  | <u>2017</u>                    | <u>2016</u>         | <u>2015</u>         |
| Township's Contractually Required Contribution                                 | \$ 336,624.00                  | \$ 319,696.00       | \$ 300,523.00       |
| Township's Contribution in Relation to the Contractually Required Contribution | <u>(336,624.00)</u>            | <u>(319,696.00)</u> | <u>(300,523.00)</u> |
| Township's Contribution Deficiency (Excess)                                    | <u>\$ -</u>                    | <u>\$ -</u>         | <u>\$ -</u>         |
| Township's Covered Payroll (Calendar Year)                                     | \$ 2,531,886.00                | \$ 2,581,927.00     | \$ 2,556,514.00     |
| Township's Contributions as a Percentage of Covered Payroll                    | 13.30%                         | 12.38%              | 11.76%              |
|  | <u>Year Ended December 31,</u> |                     |                     |
|  | <u>2014</u>                    | <u>2013</u>         |                     |
| Township's Contractually Required Contribution                                 | \$ 298,177.00                  | \$ 275,682.00       |                     |
| Township's Contribution in Relation to the Contractually Required Contribution | <u>(298,177.00)</u>            | <u>(275,682.00)</u> |                     |
| Township's Contribution Deficiency (Excess)                                    | <u>\$ -</u>                    | <u>\$ -</u>         |                     |
| Township's Covered Payroll (Calendar Year)                                     | \$ 2,371,131.00                | \$ 2,409,705.00     |                     |
| Township's Contributions as a Percentage of Covered Payroll                    | 12.58%                         | 11.44%              |                     |

Note 8: **PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)****Schedule of the Township's Proportionate Share of the Net Pension Liability - Police and Firemen's Retirement System (PFRS) (Last Five Years)**

|  | <u>Measurement Date Ended June 30,</u> |                         |                         |
|--|--|-------------------------|-------------------------|
|  | <u>2017</u>                            | <u>2016</u>             | <u>2015</u>             |
| Township's Proportion of the Net Pension Liability   | 0.0860009182%                          | 0.0871336477%           | 0.0906792440%           |
| Township's Proportionate Share of the Net Pension Liability                                    | \$ 13,276,879.00                       | \$ 16,644,756.00        | \$ 15,104,001.00        |
| State's Proportionate Share of the Net Pension Liability associated with the Township          | 1,487,122.00                           | 1,324,570.00            | 1,324,570.00            |
| Total  | <u>\$ 14,764,001.00</u>                | <u>\$ 17,969,326.00</u> | <u>\$ 16,428,571.00</u> |
| Township's Covered Payroll (Plan Measurement Period)   | \$ 2,901,144.00                        | \$ 2,892,160.00         | \$ 3,078,700.00         |
| Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 457.64%                                | 575.51%                 | 490.60%                 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                     | 58.60%                                 | 52.01%                  | 56.31%                  |
|  | <u>Measurement Date Ended June 30,</u> |                         |                         |
|  | <u>2014</u>                            | <u>2013</u>             |                         |
| Township's Proportion of the Net Pension Liability   | 0.0882256595%                          | 0.0883850972%           |                         |
| Township's Proportionate Share of the Net Pension Liability                                    | \$ 11,097,970.00                       | \$ 11,750,001.00        |                         |
| State's Proportionate Share of the Net Pension Liability associated with the Township          | 1,195,065.00                           | 1,095,243.00            |                         |
| Total  | <u>\$ 12,293,035.00</u>                | <u>\$ 12,845,244.00</u> |                         |
| Township's Covered Payroll (Plan Measurement Period)   | \$ 2,929,272.00                        | \$ 2,924,976.00         |                         |
| Township's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll | 378.86%                                | 401.71%                 |                         |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability                     | 62.41%                                 | 58.70%                  |                         |

**Note 8: PENSION PLANS (CONT'D)****Supplementary Pension Information (Cont'd)*****Schedule of the Township's Contributions - Police and Firemen's Retirement System (PFRS) (Last Five Years)***

|  | <u>Year Ended December 31,</u> |                     |                     |
|--|--------------------------------|---------------------|---------------------|
|  | <u>2017</u>                    | <u>2016</u>         | <u>2015</u>         |
| Township's Contractually Required Contribution                                 | \$ 761,124.00                  | \$ 710,436.00       | \$ 737,087.00       |
| Township's Contribution in Relation to the Contractually Required Contribution | <u>(761,124.00)</u>            | <u>(710,436.00)</u> | <u>(737,087.00)</u> |
| Township's Contribution Deficiency (Excess)                                    | <u>\$ -</u>                    | <u>\$ -</u>         | <u>\$ -</u>         |
| Township's Covered Payroll (Calendar Year)                                     | \$ 2,936,631.00                | \$ 2,914,484.00     | \$ 2,882,684.00     |
| Township's Contributions as a Percentage of Covered Payroll                    | 25.92%                         | 24.38%              | 25.57%              |

|  | <u>Year Ended December 31,</u> |                     |
|--|--------------------------------|---------------------|
|  | <u>2014</u>                    | <u>2013</u>         |
| Township's Contractually Required Contribution                                 | \$ 677,634.00                  | \$ 644,838.00       |
| Township's Contribution in Relation to the Contractually Required Contribution | <u>(677,634.00)</u>            | <u>(644,838.00)</u> |
| Township's Contribution Deficiency (Excess)                                    | <u>\$ -</u>                    | <u>\$ -</u>         |
| Township's Covered Payroll (Calendar Year)                                     | \$ 2,923,223.00                | \$ 2,929,231.00     |
| Township's Contributions as a Percentage of Covered Payroll                    | 23.18%                         | 22.01%              |

**Other Notes to Supplementary Pension Information*****Public Employees' Retirement System (PERS)***

Changes in Benefit Terms - None

Changes in Assumptions - For 2017, the discount rate changed to 5.00% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65% from 7.90%, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the Plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90%. In addition, the social security wage base was set at \$118,500.00 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000.00 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%.

**Note 8: PENSION PLANS (CONT'D)****Other Notes to Supplementary Pension Information (Cont'd)*****Police and Firemen's Retirement System (PFRS)***

Changes in Benefit Terms - In 2017, Chapter 26, P.L. 2016 increased the accidental death benefit payable to children if there is no surviving spouse to 70% of final compensation.

Changes in Assumptions - For 2017, the discount rate changed to 6.14% and the long-term rate of return changed to 7.00%. For 2016, the discount rate changed to 5.55%, the long-term expected rate of return changed to 7.65% from 7.90%, and the mortality improvement scale incorporated the Plan actuary's modified 2014 projection scale. Further, salary increases were assumed to increase between 2.10% and 8.98% (based on age) through fiscal year 2026 and 3.10% and 9.98% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 5.79% and demographic assumptions were revised in accordance with the results of the July 1, 2010 - June 30, 2013 experience study. For 2014, the discount rate was 6.32%.

**Note 9: LENGTH OF SERVICE AWARDS PROGRAM**

**Plan Description** - The Township's length of service awards program (the "Plan"), which is a defined contribution plan reported in the Township's trust fund, was created by a Township Ordinance adopted on June 7, 2006 pursuant to Section 457(e)(1)(B) of the Internal Service Code of 1986, as amended, except for provisions added by reason of the length of service award program as enacted into federal law in 1997. The voters of the Township approved the adoption of the Plan at the general election held on November 7, 2006, and the first year of eligibility for entrance into the length of service awards program by qualified volunteers was calendar year 2007. The Plan provides tax deferred income benefits to active volunteer emergency medical personnel, and is administered by VALIC ("Plan Administrator"), a State of New Jersey approved length of service awards program provider. The Township's practical involvement in administering the Plan is essentially limited to verifying the eligibility of each participant and remitting the funds to the Plan Administrator.

The tax deferred income benefits for emergency service volunteers of the Delran Township Emergency Squad, consisting of the Emergency Squad, come from contributions made solely by the governing body of the Township, on behalf of those volunteers who meet the criteria of the Plan created by that governing body. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

**Plan Amendments** - The Township may make minor amendments to the provisions of the Plan at any time, provided, however, that no amendment affects the rights of participants or their beneficiaries regarding vested accumulated deferrals at the time of the amendment. The Plan can only be amended by resolution of the governing body of the Township, and the following procedures must be followed: (a) any amendment to the Plan shall be submitted for review and approval by the Director of Local Government Services, State of New Jersey (the "Director") prior to implementation by the Township's governing body, provided, however, that any amendment required by the IRS, may be adopted by the Township's governing body without the advance approval of the Director (although such amendment shall be filed with the Director); (b) the documentation submitted to the Director shall identify the regulatory authority for the amendment and the specific language of the change; and (c) the Township shall adopt the amendment by resolution of the governing body, and a certified copy of the resolution shall be forwarded to the Director. The Township may amend the Plan agreement to accommodate changes in the Internal Revenue Code, Federal statutes, state laws or rules or operational experience. In cases of all amendments to the Plan, the Township shall notify all participants in writing prior to making any amendment to the Plan.

**Note 9: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)**

**Contributions** - If an active member meets the year of active service requirement, a length of service awards program must provide a benefit between the minimum contribution of \$100.00 and a maximum contribution of \$1,150.00 per year. While the maximum amount is established by statute, it is subject to periodic increases that are related to the consumer price index (N.J.S.A. 40A:14-185(f)). The Division of Local Government Services of the State of New Jersey will issue the permitted maximum annually.

The Township elected to contribute between \$43.70 and \$1,150.00 for the year ended December 31, 2017, per eligible volunteer, into the Plan, depending on how many years the volunteer has served. Participants direct the investment of the contributions into various investment options offered by the Plan. The Township has no authorization to direct investment contributions on behalf of eligible volunteers nor has the ability to purchase or sell investment options offered by the Plan. The types of investment options, and the administering of such investments, rests solely with the Plan Administrator.

For the year ended December 31, 2017, the Township's total expenditure, net of forfeitures of \$25,901.03, to the Plan was \$28,389.68.

**Participant Accounts** - Each participant's account is credited with the Township's contribution and Plan earnings, and charged with administrative expenses. For the year ended December 31, 2017, the Township elected to pay substantially all of the Plan's administrative costs. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. The Township has placed the amounts deferred, including earnings, in a trust maintained by a third-party administrator for the exclusive benefit of the Plan participants and their beneficiaries. The contributions from the Township to the Plan, and the related earnings, are not irrevocable, and such funds are not legally protected from the creditors of the Township. These funds, however, are not available for funding the operations of the Township.

**Vesting** - The Township, in accordance with N.J.S.A. 40A:14-188 and N.J.A.C. 5:30-11.63 may make a yearly contribution to the length of service awards program account in the deferred income program for an active volunteer who has satisfied the requirements for receipt of an award, but the volunteer shall not be able to receive a distribution of the funds until the completion of a five year vesting period or be in accordance with changes to vesting conveyed through the issuance of a Local Finance Notice and/or publication of a public notice in the New Jersey Register, with payment of that benefit only being as otherwise permitted by the Plan.

**Payment of Benefits** - Upon separation from volunteer service, retirement or disability, termination of the Plan, participants may select various payout options of vested accumulated deferrals, which include lump sum, periodic, or annuity payments. In the case of death, with certain exceptions, any amount invested under the participant's account is paid to the beneficiary or the participant's estate.

In the event of an unforeseeable emergency, as outlined in the Plan document, a participant or a beneficiary entitled to vested accumulated deferrals may request the local plan administrator to payout a portion of vested accumulated deferrals.

**Forfeited Accounts** - For the year ended December 31, 2017, forfeited non-vested accounts totaled \$25,901.03. The forfeited accounts are due to the current fund.

**Investments** - The investments of the length of service awards program reported in the trust - other funds on the statements of assets, liabilities, reserves, and fund balance - regulatory basis are recorded at fair value.

**Plan Information** - Additional information about the Township's length of service awards program can be obtained by contacting the Plan Administrator.

**Note 9: LENGTH OF SERVICE AWARDS PROGRAM (CONT'D)****Supplementary Length of Service Award Program Information**

In accordance with GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, the following schedule of Township contributions to the length of service award program is presented.

| <u>Year Ended</u><br><u>December 31,</u> | <u>Township's</u><br><u>Plan</u><br><u>Calculated</u><br><u>Contribution</u> | <u>Township's</u><br><u>Contribution</u><br><u>in Relation</u><br><u>to the Plan</u><br><u>Calculated</u><br><u>Contribution</u> | <u>Township's</u><br><u>Plan</u><br><u>Calculated</u><br><u>Contribution</u><br><u>Deficiency</u><br><u>(Excess)</u> |
|--|--|--|--|
| 2017                                     | \$ 52,750.50   | \$ 52,750.50   | \$ -   |
| 2016                                     | 61,498.55  | 61,171.95  | (326.60)   |
| 2015                                     | 61,349.05  | 61,349.05  | -  |
| 2014                                     | 66,204.35  | 66,204.35  | -  |
| 2013                                     | 58,318.20  | 58,318.20  | -  |
| 2012                                     | 67,682.45  | 67,109.30  | (573.15)   |
| 2011                                     | 73,267.65  | 73,081.35  | (186.30)   |
| 2010                                     | 70,760.65  | 70,059.15  | (701.50)   |
| 2009                                     | 68,968.87  | 68,968.87  | -  |
| 2008                                     | 61,573.25  | 61,729.00  | 155.75   |

**Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS**

The Township provides health insurance through the State Health Benefit Plan. The State Pension Fund provides health benefits through the State Health Benefit Plan which is a cost-sharing multiple-employer defined benefit postemployment healthcare plan.

The Township also provides reimbursement of health insurance premiums directly to employees if they choose not to participate in the State Health Benefit Plan. The reimbursement for health insurance premiums and the amount of the benefit is established by the Township.

**State Health Benefit Plan*****Plan Description***

The Township contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. In 2009, the Township authorized participation in the SHBP's post-retirement benefit program through resolution number 2009-133. The Township provides post-employment health care benefits, at its cost, to certain employees. Employees retiring with twenty-five (25) or more years of service with the Township and/or twenty-five (25) or more years of service credit in a state or locally administered retirement system, and employees retiring on an accidental disability pension, are eligible to receive fully paid health and prescription benefits.

**Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****State Health Benefit Plan (Cont'd)*****Plan Description (Cont'd)***

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295 or by visiting their website at [www.state.nj.us/treasury/pensions/](http://www.state.nj.us/treasury/pensions/).

***Funding Policy***

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for the health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits.

The Township contributions to SHBP for the years ended December 31, 2017, 2016, and 2015, were \$21,202.15, \$23,799.96, \$25,133.00, respectively, which equaled the required contributions for each year. There were four retired participants eligible at December 31, 2017.

**Direct Reimbursement Plan*****Plan Description***

The Township provides a defined benefit through another post employee benefit single-employer plan which provides post-employment health care benefits to employees who have retired from the Township. The Township provides this benefit for ten years after the employee retires or until the death of the employee. The benefit is determined by negotiated contract for each collective bargaining unit. The plan is administered by the Township; therefore, reimbursements to the retirees are paid in monthly installments directly to the retirees.

***Funding Policy***

The Township funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits. For the year ended December 31, 2017, there were five retired employees who were eligible to receive this benefit, resulting in a maximum possible payment of \$26,875.00. Actual payments for the years ended December 31, 2017, 2016, and 2015, were \$28,736.54, \$9,195.91, and \$7,209.90 in related health care premiums.



**Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Direct Reimbursement Plan (Cont'd)****Annual OPEB Cost**

For year ended December 31, 2017, the Township's annual OPEB cost (expense) of \$80,000.00 for the plan was equal to the ARC plus certain adjustments because the Township's actual contributions in prior years differed from the ARC. The Township's annual required contribution (ARC), the interest on the net OPEB obligation, the adjustment to the ARC, the increase or decrease in the net OPEB obligation, the net OPEB obligation, and the percentage of annual OPEB cost contributed to the plan for years 2017, 2016, and 2015 are as follows:

|   | <u>2017</u>          | <u>2016</u>          | <u>2015</u>          |
|---|----------------------|----------------------|----------------------|
| Normal cost                                   | \$ 30,000.00         | \$ 25,000.00         | \$ 25,000.00         |
| Amortization of Unfunded Accrued Liability    | 45,000.00            | 40,000.00            | 40,000.00            |
| Interest on Normal Cost                       | 1,667.00             | 1,538.00             | 1,538.00             |
| Interest on Amortization                      | 3,333.00             | 3,462.00             | 3,462.00             |
| Annual Required Contribution                  | 80,000.00            | 70,000.00            | 70,000.00            |
| Interest on net OPEB Cost                     | 10,000.00            | 5,000.00             | 5,000.00             |
| Adjustment to ARC                             | (10,000.00)          | (5,000.00)           | (5,000.00)           |
| Annual OPEB Cost (Expense)                    | 80,000.00            | 70,000.00            | 70,000.00            |
| Contributions made                            | 28,736.64            | 9,195.91             | 7,209.90             |
| Net OPEB Obligation (NOO) - Beginning of Year | 310,927.68           | 250,123.59           | 187,333.49           |
| Net OPEB Obligation (NOO) - End of Year       | <u>\$ 362,191.04</u> | <u>\$ 310,927.68</u> | <u>\$ 250,123.59</u> |
| Percentage of Annual OPEB Cost Contributed    | 35.92%               | 13.14%               | 10.30%               |

**Funded Status and Funding Progress**

The funded status of the plan as of the past three actuarial valuation dates is as follows:

| Actuarial Valuation Date                            | 1/1/2017             | 1/1/2014             | 1/1/2011             |
|---|----------------------|----------------------|----------------------|
| Actuarial Accrued Liability (AAL)                   | \$ 840,000.00        | \$ 700,000.00        | \$ 580,000.00        |
| Actuarial Value of Plan Assets                      | -                    | -                    | -                    |
| Unfunded Actuarial Accrued Liability (UAAL)         | <u>\$ 840,000.00</u> | <u>\$ 700,000.00</u> | <u>\$ 580,000.00</u> |
| Funded Ratio (Actuarial Value of Plan Assets / AAL) | 0.00%                | 0.00%                | 0.00%                |
| Covered Payroll (Active Plan Members)               | \$5,300,000.00       | \$6,480,000.00       | \$5,990,000.00       |
| UAAL as a Percentage of Covered Payroll             | 15.85%               | 10.80%               | 9.68%                |

**Note 10: POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (CONT'D)****Direct Reimbursement Plan (Cont'd)**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, as shown on the previous page, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

***Actuarial Methods and Assumptions***

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2017 actuarial valuation, the projected unit credit method was used. Under this method, an actuarial accrued liability is determined as the actuarial present value of the portion of projected benefits which is allocated to service before the current plan year. In addition, a normal cost is determined as the actuarial present value of the portion of projected benefits which is allocated to service in the current plan year for each active participant under the assumed retirement age. The UAAL is being amortized (straight-line) for thirty (30) years on an open basis. The remaining amortization period at December 31, 2017 was twenty-three years. The actuarial assumptions included the following:

- *Mortality* - RP 2000 Combined Table.
- *Annual Discount Rate* - Future costs have been discounted at the rate of 4.5% compounded annually for GASB 45 purposes.
- *Turnover* - Sarasson T-5 Table.
- *Medical Trend*. 5% for the current year and each future year.
- *Rates of Retirement* - 25% grading up to 100% from ages 55 to 65

**Note 11: COMPENSATED ABSENCES**

Full-time employees are entitled to fifteen paid sick leave days each year. Unused sick leave may be accumulated and carried forward to the subsequent year.

The Township of Delran compensates employees for unused sick leave upon termination or retirement. The current policy provides one compensated day for every two days accumulated. There is a maximum pay-out of fifty days' pay, and is paid at the rate of pay upon termination or retirement.

The Township does not record accrued expenses related to compensated absences. However, it is estimated that, at December 31, 2017, accrued benefits for compensated absences are valued at \$773,846.35.

**Note 12: DEFERRED COMPENSATION SALARY ACCOUNT**

The Township offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457 which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the Township or its creditors. Since the Township does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the Township's financial statements.

**Note 13: CAPITAL DEBT**

**General Obligation Bonds**

General Obligation Bonds, Series 2009 - On August 15, 2009, the Township issued \$4,056,000.00 in general obligation bonds, with interest rates ranging from 4.00% to 5.00% through the Burlington County Bridge Commission in their capacity as County Improvement Authority. The bonds were issued to fund various Township improvements. The final maturity of the bonds is August 15, 2018.

General Obligation Bonds – Open Space, Series 2009 - On August 15, 2009, the Township issued \$4,056,000.00 in general obligation bonds, with interest rates ranging from 4.00% to 5.00% through the Burlington County Bridge Commission in their capacity as County Improvement Authority. The bonds were issued to acquire various pieces of property for preservation and recreation. The final maturity of the bonds is August 15, 2029.

General Obligation Refunding Bonds, Series 2009 - On November 3, 2009, the Township issued \$4,215,000.00 in general obligation refunding bonds, with interest rates ranging from 2.00% to 4.50%. The bonds were issued to currently refund the \$4,747,000.00 General Obligation Bonds, Series 1998. The final maturity of the bonds is January 1, 2019.

The following schedule represents the remaining debt service, through maturity, for the general improvement bonds:

| <u>Year</u> | <u>Bonded Debt</u>     |                     |                        |                      |                        |
|-------------|------------------------|---------------------|------------------------|----------------------|------------------------|
|             | <u>General</u>         |                     | <u>Open Space</u>      |                      | <u>Total</u>           |
|             | <u>Principal</u>       | <u>Interest</u>     | <u>Principal</u>       | <u>Interest</u>      |                        |
| 2018        | \$ 1,286,000.00        | \$ 59,065.00        | \$ 86,000.00           | \$ 50,040.00         | \$ 1,481,105.00        |
| 2019        | 320,000.00             | 6,350.00            | 87,000.00              | 46,620.00            | 459,970.00             |
| 2020        |                        |                     | 92,000.00              | 41,300.00            | 133,300.00             |
| 2021        |                        |                     | 94,000.00              | 38,600.00            | 132,600.00             |
| 2022        |                        |                     | 97,000.00              | 34,840.00            | 131,840.00             |
| 2023-2027   |                        |                     | 529,000.00             | 112,720.00           | 641,720.00             |
| 2028-2029   |                        |                     | 245,000.00             | 14,800.00            | 259,800.00             |
|             | <u>\$ 1,606,000.00</u> | <u>\$ 65,415.00</u> | <u>\$ 1,230,000.00</u> | <u>\$ 338,920.00</u> | <u>\$ 3,240,335.00</u> |

**Note 13: CAPITAL DEBT (CONT'D)****New Jersey Environmental Infrastructure Trust Loans**

**Sewer Utility Debt** - On May 21, 2014, the Township entered into a loan agreement with the New Jersey Environmental Infrastructure Trust to provide \$1,469,550.00, at no interest, from the fund loan, and \$480,000.00 at interest rates ranging from 3.00% to 5.00% from the trust loan. The proceeds were used to fund the renovations to the waste water treatment plant. Semiannual debt payments are due March 1<sup>st</sup> and September 1<sup>st</sup> through 2033.

The following schedule represents the remaining debt service, through maturity, for the New Jersey Environmental Infrastructure loans:

| <u>Year</u> | <u>Principal</u>       | <u>Interest</u>      | <u>Total</u>           |
|-------------|------------------------|----------------------|------------------------|
| 2018        | \$ 94,722.87           | \$ 15,981.26         | \$ 110,704.13          |
| 2019        | 94,722.87              | 14,981.26            | 109,704.13             |
| 2020        | 94,722.87              | 13,981.26            | 108,704.13             |
| 2021        | 94,722.87              | 12,981.26            | 107,704.13             |
| 2022        | 99,722.87              | 11,981.26            | 111,704.13             |
| 2023-2027   | 503,614.35             | 42,656.30            | 546,270.65             |
| 2028-2032   | 481,353.44             | 20,156.30            | 501,509.74             |
| 2033        | 35,000.00              | 1,137.50             | 36,137.50              |
|             | <u>\$ 1,498,582.14</u> | <u>\$ 133,856.40</u> | <u>\$ 1,632,438.54</u> |

**Note 13: CAPITAL DEBT (CONT'D)**

**Summary of Debt**

The following schedule represents the Township's summary of debt for the current and two previous years:

|   | <u>2017</u>      | <u>2016</u>      | <u>2015</u>      |
|---|------------------|------------------|------------------|
| <b><u>Issued</u></b>                          |                  |                  |                  |
| General:                                      |                  |                  |                  |
| Bonds and Notes                               | \$ 13,790,000.00 | \$ 13,451,251.00 | \$ 14,570,630.00 |
| Sewer Utility:                                |                  |                  |                  |
| Loans and Notes                               | 2,138,582.14     | 1,593,305.01     | 3,015,011.88     |
| Total Issued                                  | 15,928,582.14    | 15,044,556.01    | 17,585,641.88    |
| <br><b><u>Authorized but not Issued</u></b>   |                  |                  |                  |
| General:                                      |                  |                  |                  |
| Bonds and Notes                               | 3,308,158.50     | 1,587,859.47     | 1,673,635.08     |
| Sewer Utility:                                |                  |                  |                  |
| Bonds and Notes                               | 4,329,274.63     | 2,108,800.00     | 1,651,800.00     |
| Total Authorized but Not Issued               | 7,637,433.13     | 3,696,659.47     | 3,325,435.08     |
| Total Issued and<br>Authorized but Not Issued | 23,566,015.27    | 18,741,215.48    | 20,911,076.96    |
| <br>Deductions:                               |                  |                  |                  |
| Funds Temporarily Held To Pay Notes           | 794,077.97       | 657,466.96       | 650,820.89       |
| Self-liquidating Debt                         | 6,467,856.77     | 3,702,105.01     | 4,666,811.88     |
| Total Deductions                              | 7,261,934.74     | 4,359,571.97     | 5,317,632.77     |
| Net Debt                                      | \$ 16,304,080.53 | \$ 14,381,643.51 | \$ 15,593,444.19 |

A revised Annual Debt Statement should be filed by the Chief Financial Officer.

**Summary of Statutory Debt Condition - Annual Debt Statement**

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of 1.080%.

|                       | <u>Gross Debt</u> | <u>Deductions</u> | <u>Net Debt</u>  |
|-----------------------|-------------------|-------------------|------------------|
| Local School District | \$ 24,075,000.00  | \$ 24,075,000.00  |                  |
| Sewer Utility         | 6,317,382.14      | 6,317,382.14      |                  |
| General               | 17,098,158.50     | 794,077.97        | \$ 16,304,080.53 |
|                       | \$ 47,490,540.64  | \$ 31,186,460.11  | \$ 16,304,080.53 |

Net Debt \$16,304,080.53 divided by the Equalized Valuation Basis per N.J.S.A.40A:2-2 as amended, \$1,509,632,512.00 equals 1.080%.

**Note 13: CAPITAL DEBT (CONT'D)****Borrowing Power Under N.J.S.A. 40A:2-6 As Amended**

|   |                         |
|---|-------------------------|
| 3.5% of Equalized Valuation Basis (Municipal) | \$ 52,837,137.92        |
| Net Debt                                      | <u>16,304,080.53</u>    |
| Remaining Borrowing Power                     | <u>\$ 36,533,057.39</u> |

**Calculation of "Self Liquidating Purpose," - Sewer Utility Per N.J.S.A. 40A:2-45**

|   |                      |
|---|----------------------|
| Cash Receipts from Fees, Rents, Fund Balance<br>Anticipated, Interest, and Other Investment<br>Income, and Other Charges for Year | \$ 4,058,954.72      |
| Deductions:   |                      |
| Operating and Maintenance Cost  | \$ 3,011,887.00      |
| Debt Service per Sewer Fund   | <u>91,896.77</u>     |
| Total Deductions  | <u>3,103,783.77</u>  |
| Excess in Revenue   | <u>\$ 955,170.95</u> |

**Note 14: RISK MANAGEMENT**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**New Jersey Unemployment Compensation Insurance** - The Township has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Township is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Township is billed quarterly for amounts due to the State.

The following is a summary of Township contributions, reimbursements to the State for benefits paid and the ending balance of the Township's trust fund for the current and previous two years:

| <u>Year</u> | <u>Township and<br/>Utility<br/>Contributions</u> | <u>Employee<br/>Contributions</u> | <u>Claims<br/>Paid</u> | <u>Ending<br/>Balance</u> |
|-------------|---|-----------------------------------|------------------------|---------------------------|
| 2017        | \$ 3,000.00                                       | \$ 8,346.92                       | \$ 4,324.23            | \$ 60,143.50              |
| 2016        | 3,000.00  | 8,157.27                          | 8,773.18               | 53,120.81                 |
| 2015        | 3,000.00  | 7,939.58                          | 7,801.10               | 50,736.72                 |

**Note 14: RISK MANAGEMENT (CONT'D)**

**Joint Insurance Pool** - The Township of Delran is a member of the Burlington County Municipal Joint Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation and Employer's Liability  
Liability other than Motor Vehicles  
Property Damage other than Motor Vehicles  
Motor Vehicles

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

The Fund provides the Township with the following coverage:

Property - Blanket Building and Grounds  
Boiler and Machinery  
General and Automobile Liability  
Burglary and Theft  
Fire Insurance

Contributions to the Fund, are payable in an annual premium and is based on actuarial assumptions determined by the Fund's actuary. The Township's agreement with the pool provides that the pool will be self-sustaining through member premiums and will reinsure through the Municipal Excess Liability Joint Insurance Fund for claims in excess of \$500,000 based on the line of coverage for each insured event.

The Fund publishes its own financial report for the year ended December 31, 2017, which can be obtained from:

Burlington County Municipal Joint Insurance Fund  
Five Greentree Centre/525 Lincoln Drive West  
P.O. Box 489  
Marlton, NJ 08053

**Note 15: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Township expects such amount, if any, to be immaterial.

**Litigation** - The Township is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the Township, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

**Note 16: CONCENTRATIONS**

The Township depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the Township is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and state appropriations.

**Note 17: SUBSEQUENT EVENTS**

**Tax Appeals** - As of December 31, 2017, there were two tax appeals were on file against the Township. Based upon information provided by the tax assessor, if such appeals are not settled in favor of the Township, the estimated impact of the tax refunds could be material. However, the Township maintains a Reserve for Tax Appeals in the current fund of \$208,953.75. In the event there are insufficient funds to settle any of these appeals, the Township has the ability to raise the funds in the budget subsequent to 2018 and may, depending upon approval from the New Jersey State Local Finance Board, borrow to fund the payment of appeals.

**Authorization of Debt** - Subsequent to December 31, the Township of Delran authorized additional Bonds and Notes as follows:

| <u>Purpose</u>  | <u>Date</u>   | <u>Amount</u>   |
|---|---------------|-----------------|
| General Capital:                                      |               |                 |
| Bonds and Notes:                                      |               |                 |
| Reconstruction of Certain Roads                       | March 6, 2018 | \$ 1,337,000.00 |
| Various 2018 Capital Acquisitions<br>And Improvements | June 12, 2018 | 583,500.00      |

**Note 18: RESTATEMENTS**

Because of a correction of an error related to the repayment of debt obligations without the cancellation of the authorization of debt, the balance sheet as of December 31, 2016 has been restated.

The effect on the financial statements for the sewer utility capital fund as reported for December 31, 2016 is as follows:

|   | As Previously<br>Reported<br>Balance<br><u>Dec. 31, 2016</u> | Restatement<br>Increase /<br>(Decrease)<br><u>(Decrease)</u> | Restated<br>Balance<br><u>Dec. 31, 2016</u> |
|---|--|--|---|
| Improvement Authorizations:                                   |  |  |   |
| Funded  | \$ 641,939.76  | \$ (121,984.00)  | \$ 519,955.76                               |
| Unfunded  | 1,872,644.59   | 121,984.00   | 1,994,628.59                                |
|   | <u>\$ 2,514,584.35</u>                                       | <u>\$ -</u>  | <u>\$ 2,514,584.35</u>                      |
| Total Improvement Authorizations                              |  |  |   |
|   | <u>\$ 2,514,584.35</u>                                       | <u>\$ -</u>  | <u>\$ 2,514,584.35</u>                      |
| Bonds and Notes Authorized but<br>not Issued and Fund Balance | <u>\$ 2,108,800.00</u>                                       | <u>\$ 121,984.00</u>   | <u>\$ 2,230,784.00</u>                      |



**Note 18: RESTATEMENTS (CONT'D)**

Because of an appraisal report obtained by the Township, the balance of general fixed asset group of accounts - regulatory basis as of December 31, 2016 has been restated to adjust the values to estimated historical costs.

The effect on the financial statements as reported for December 31, 2016 is as follows:

|   | As Previously<br>Reported<br>Balance<br><u>Dec. 31, 2016</u> | <u>Restatement</u> | Restated<br>Balance<br><u>Dec. 31, 2016</u> |
|---|--|--------------------|---|
| General Fixed Assets:                       |  |                    |   |
| Land and Land Improvements                  | \$ 10,419,800.00   | \$ (4,692,730.00)  | \$ 5,727,070.00                             |
| Building                                    | 1,503,399.19   | 5,872,314.81       | 7,375,714.00                                |
| Equipment and Vehicles                      | 2,905,602.11   | 2,259,384.89       | 4,894,725.00                                |
|   | <hr/>  |                    |   |
| Total General Fixed Assets                  | \$ 14,828,801.30   | \$ 3,438,969.70    | \$ 17,997,509.00                            |
|   | <hr/>  |                    |   |
| Total Investment in<br>General Fixed Assets | \$ 14,828,801.30   | \$ 3,438,969.70    | \$ 17,997,509.00                            |
|   | <hr/>  |                    |   |

Because of an appraisal report obtained by the Township, the balance of sewer utility fixed capital and reserve for amortization as of December 31, 2016 has been restated to adjust the values to estimated historical costs.

The effect on the financial statements as reported for December 31, 2016 is as follows:

|  | As Previously<br>Reported<br>Balance<br><u>Dec. 31, 2016</u> | Restatement<br>Increase /<br><u>(Decrease)</u> | Restated<br>Balance<br><u>Dec. 31, 2016</u> |
|--|--|--|---|
| Fixed Capital  | <u>\$ 29,387,658.59</u>                                      | <u>\$ (16,115,062.59)</u>                      | <u>\$ 13,272,596.00</u>                     |
| Total Capital Fund   | <u>\$ 35,644,128.77</u>                                      | <u>\$ (16,115,062.59)</u>                      | <u>\$ 19,529,066.18</u>                     |
| Total Sewer Utility Assets                                     | <u>\$ 42,249,673.23</u>                                      | <u>\$ (16,115,062.59)</u>                      | <u>\$ 26,134,610.64</u>                     |
| Reserve for Amortization                                       | <u>\$ 29,782,119.58</u>                                      | <u>\$ (16,115,062.59)</u>                      | <u>\$ 13,667,056.99</u>                     |
| Total Capital Fund   | <u>\$ 35,644,128.77</u>                                      | <u>\$ (16,115,062.59)</u>                      | <u>\$ 19,529,066.18</u>                     |
| Total Sewer Utility Liabilities, Reserves<br>and Fund Balances | <u>\$ 42,249,673.23</u>                                      | <u>\$ (16,115,062.59)</u>                      | <u>\$ 26,134,610.64</u>                     |

## **SUPPLEMENTAL EXHIBITS**

**SUPPLEMENTAL EXHIBITS**

**CURRENT FUND**

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Current Cash per N.J.S. 40A:5-5 -- Treasurer  
For the Year Ended December 31, 2017

|  | <u>Regular</u>   | <u>Federal and State<br/>Grant Fund</u> |
|--|------------------|---|
| Balance Dec. 31, 2016  | \$ 11,724,082.42 | \$ 463,444.97                           |
| Increased by Receipts:   |                  |   |
| Collector  | \$ 53,780,635.51 |   |
| Miscellaneous Revenue Not Anticipated                                    | 212,523.08       |   |
| Revenue Accounts Receivable  | 780,562.39       |   |
| Due from State of New Jersey - Senior Citizens' and Veterans' Deductions | 139,000.00       |   |
| Consolidated Municipal Property Tax Relief Act Funds                     | 47,360.00        |   |
| Energy Tax Receipts  | 1,231,741.00     |   |
| Rental of Office Space to Delran Fire Commission                         | 21,600.00        |   |
| Prepaid Mercantile Licenses  | 41,322.00        |   |
| Refund of Prior Year Expenditures  | 2,868.79         |   |
| Due to State of New Jersey - Marriage License Fees                       | 2,725.00         |   |
| Due to State of New Jersey - D.C.A. Training Fees                        | 26,608.00        |   |
| Due to/from Trust - Open Space Fund                                      | 1,313.14         |   |
| Due to/from Trust - Other Fund   | 47,602.76        |   |
| Due to/from Sewer Utility Operating Fund                                 | 792,538.94       |   |
| Due to/from General Capital Fund   | 8,369.40         | \$ 307,660.50                           |
| Due to/from Current Fund   |                  | 592.00                                  |
| Match Grant Funds -- Current Fund  |                  | 24,669.00                               |
| Federal, State and Local Grants  |                  | 423,241.25                              |
|  | 57,136,770.01    | 756,162.75                              |
| Carried Forward  | 68,860,852.43    | 1,219,607.72                            |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Current Cash per N.J.S. 40A:5-5 -- Treasurer  
For the Year Ended December 31, 2017

|   | <u>Regular</u>          | <u>Federal and State<br/>Grant Fund</u> |
|---|-------------------------|---|
| Brought Forward                                   | \$ 68,860,852.43        | \$ 1,219,607.72                         |
| Decreased by Disbursements:                       |                         |   |
| 2017 Appropriations                               | \$ 5,893,577.97         |   |
| 2016 Appropriation Reserves                       | 538,882.71              |   |
| Payroll and Related Deductions Payable            | 6,789,788.45            |   |
| Local District School Taxes                       | 33,132,758.00           |   |
| County Taxes                                      | 6,013,323.58            |   |
| County Share of Added and Omitted Taxes           | 24,976.10               |   |
| Special Fire District Tax                         | 2,205,770.00            |   |
| Open Space Trust Fund Tax                         | 325,000.00              |   |
| Refund Tax Overpayments                           | 16,449.53               |   |
| Due to State of New Jersey--Marriage License Fees | 2,875.00                |   |
| Due to State of New Jersey--D.C.A. Training Fees  | 26,885.00               |   |
| Due to/from Sewer Utility Operating Fund          | 781,368.58              |   |
| Due to/from Federal, State and Local Grant Fund   | 592.00                  |   |
| Due to/from Trust - Other Fund                    | 11,705.00               |   |
| Due to/from Trust - Open Space Fund               | 9,181.31                |   |
| Matching Funds for Grants                         | 24,669.00               |   |
| Federal and State Grant Fund:                     |                         |   |
| Reserve for Encumbrances                          |                         | \$ 254,715.46                           |
| Federal, State and Local Grants                   |                         | 121,860.69                              |
|   | <u>55,797,802.23</u>    | <u>376,576.15</u>                       |
| Balance Dec. 31, 2017                             | <u>\$ 13,063,050.20</u> | <u>\$ 843,031.57</u>                    |

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Current Cash per N.J.S. 40A:5-5 -- Collector  
For the Year Ended December 31, 2017

---

|   |                                |
|---|--------------------------------|
| Cash Receipts:                              |                                |
| Taxes Receivable                            | \$ 52,053,652.32               |
| Interest and Costs on Taxes                 | 180,613.31                     |
| Tax Title Liens                             | 8,806.41                       |
| Prepaid Taxes                               | 1,483,778.46                   |
| Tax Overpayments                            | <u>53,785.01</u>               |
|   | 53,780,635.51                  |
| Decreased by:                               |                                |
| Direct Deposits to Treasurer's Bank Account | <u><u>\$ 53,780,635.51</u></u> |

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Due To State of New Jersey for Senior Citizens' and Veterans' Deductions  
For the Year Ended December 31, 2017

|  |                   |                            |
|--|-------------------|----------------------------|
| Balance Dec. 31, 2016  |                   | \$ 8,468.62                |
| Increased by:  |                   |                            |
| Collections  |                   | <u>139,000.00</u>          |
|  |                   | 147,468.62                 |
| Decreased by:  |                   |                            |
| Accrued in 2017 to Municipality:                                   |                   |                            |
| Senior Citizens' Deductions per Tax Billings                       | \$ 15,250.00      |                            |
| Veterans' Deductions per Tax Billings                              | <u>127,000.00</u> |                            |
|  | 142,250.00        |                            |
| Senior Citizens' and Veterans' Deductions Allowed by Tax Collector | <u>1,500.00</u>   |                            |
|  | 143,750.00        |                            |
| Deduct:  |                   |                            |
| Senior Citizens' Deductions Disallowed by Tax Collector            | <u>5,750.00</u>   |                            |
| Subtotal 2017 Tax Accrual  | 138,000.00        |                            |
| Deduct:  |                   |                            |
| Prior Year Senior Citizens' Deductions Disallowed by Tax Collector | <u>2,000.00</u>   |                            |
|  |                   | <u>136,000.00</u>          |
| Balance Dec. 31, 2017  |                   | <u><u>\$ 11,468.62</u></u> |

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Taxes Receivable and Analysis of Property Tax Levy  
For the Year Ended December 31, 2017

| Year | Balance              | 2017 Levy               | Added Taxes        | Collections          |                         | Due from State of New Jersey | Overpayments Applied | Canceled            | Transfer to Tax Title Liens | Balance              |
|------|----------------------|-------------------------|--------------------|----------------------|-------------------------|------------------------------|----------------------|---------------------|-----------------------------|----------------------|
|      | Dec. 31, 2016        |                         |                    | 2016                 | 2017                    |                              |                      |                     |                             | Dec. 31, 2017        |
| 2016 | \$ 722,858.24        |                         | \$ 2,000.00        |                      | \$ 708,470.61           |                              |                      |                     | \$ 12,885.57                | \$ 3,502.06          |
| 2017 |                      | \$ 52,617,638.70        |                    | \$ 432,058.46        | 51,355,929.35           | \$ 138,000.00                | \$ 10,747.64         | \$ 36,512.16        | 28,845.01                   | 615,546.08           |
|      | <u>\$ 722,858.24</u> | <u>\$ 52,617,638.70</u> | <u>\$ 2,000.00</u> | <u>\$ 432,058.46</u> | <u>\$ 52,064,399.96</u> | <u>\$ 138,000.00</u>         | <u>\$ 10,747.64</u>  | <u>\$ 36,512.16</u> | <u>\$ 41,730.58</u>         | <u>\$ 619,048.14</u> |

Analysis of 2017 Tax Levy

51,936,735.45

Tax Yield

|                                 |                   |
|---------------------------------|-------------------|
| General Purpose Tax             | \$ 50,192,398.07  |
| Special District Tax            | 2,205,770.00      |
| Added Taxes (54:4-63.1 et seq.) | <u>219,470.63</u> |

\$ 52,617,638.70Tax Levy

|                                  |                   |
|----------------------------------|-------------------|
| Local District School Tax        | \$ 33,132,758.00  |
| County Taxes:                    |                   |
| County Tax                       | \$ 4,963,041.49   |
| County Library Tax               | 458,645.66        |
| County Open Space Taxes          | 591,636.43        |
| Due County for Added Taxes       | <u>23,969.08</u>  |
| Total County Taxes               | 6,037,292.66      |
| Fire District No. 1 Tax          | 2,205,770.00      |
| Local Tax for Municipal Purposes | 10,713,000.00     |
| Local Open Space Tax             | 325,000.00        |
| Add: Additional Tax Levied       | <u>203,818.04</u> |

Local Tax for Municipal Purposes Levied

11,241,818.04\$ 52,617,638.70



**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Tax Title Liens Receivable  
For the Year Ended December 31, 2017

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|                                   |                  |                             |
|-----------------------------------|------------------|-----------------------------|
| Balance Dec. 31, 2016             |                  | \$ 127,116.94               |
| Increased by:                     |                  |                             |
| Interests and Cost on Taxes       | \$ 3,023.34      |                             |
| Transferred from Taxes Receivable | <u>41,730.58</u> |                             |
|                                   |                  | <u>44,753.92</u>            |
|                                   |                  | 171,870.86                  |
| Decreased by:                     |                  |                             |
| Receipts--Collector               |                  | <u>8,806.41</u>             |
| Balance Dec. 31, 2017             |                  | <u><u>\$ 163,064.45</u></u> |

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
 Statement of Revenue Accounts Receivable  
 For the Year Ended December 31, 2017

|                                      | <u>Balance</u><br><u>Dec. 31, 2016</u> | <u>Accrued</u><br><u>2017</u> | <u>Prepaid</u><br><u>Applied</u> | <u>Collected</u><br><u>2017</u> | <u>Interfund</u><br><u>Activity</u> | <u>Balance</u><br><u>Dec. 31, 2017</u> |
|--------------------------------------|--|-------------------------------|----------------------------------|---------------------------------|-------------------------------------|--|
| Clerk:                               |  |                               |                                  |                                 |                                     |  |
| Licenses:                            |  |                               |                                  |                                 |                                     |  |
| Alcoholic Beverages                  |  | \$ 17,950.00                  |                                  | \$ 17,950.00                    |                                     |  |
| Other                                |  | 66,748.00                     | \$ 40,038.00                     | 26,710.00                       |                                     |  |
| Fees and Permits                     |  | 102,374.54                    |                                  | 102,374.54                      |                                     |  |
| Construction Code Office:            |  |                               |                                  |                                 |                                     |  |
| Fees and Permits                     |  | 335,721.00                    |                                  | 335,721.00                      |                                     |  |
| Municipal Court:                     |  |                               |                                  |                                 |                                     |  |
| Fines and Costs                      | \$ 22,570.67                           | 252,260.54                    |                                  | 254,825.35                      |                                     | \$ 20,005.86 (A)                       |
| Interest on Investments and Deposits |  | 48,465.84                     |                                  | 42,981.50                       | \$ 5,484.34                         |  |
|                                      | <u>\$ 22,570.67</u>                    | <u>\$ 823,519.92</u>          | <u>\$ 40,038.00</u>              | <u>\$ 780,562.39</u>            | <u>\$ 5,484.34</u>                  | <u>\$ 20,005.86</u>                    |

(A) Dec. 2017

|                      |                    |
|----------------------|--------------------|
| Trust - Other Fund   | \$ 3,177.28        |
| General Capital Fund | <u>2,307.06</u>    |
|                      | <u>\$ 5,484.34</u> |

**TOWNSHIP OF DELRAN**  
CURRENT FUND  
Statement of Prepaid Licenses  
For the Year Ended December 31, 2017

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|  |                            |
|--|----------------------------|
| Balance Dec. 31, 2016                                | \$ 40,038.00               |
| Increased by:  |                            |
| Collections  | <u>41,322.00</u>           |
|  | 81,360.00                  |
| Decreased by:  |                            |
| Realized as Miscellaneous Revenue - Licenses - Other | <u>40,038.00</u>           |
| Balance Dec. 31, 2017                                | <u><u>\$ 41,322.00</u></u> |

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of 2016 Appropriation Reserves  
For the Year Ended December 31, 2017

|  | Balance Dec. 31,  |                 | Balance After<br>Modification | Paid or<br>Charged | Balance<br>Lapsed |
|--|-------------------|-----------------|-------------------------------|--------------------|-------------------|
|  | <u>Encumbered</u> | <u>Reserved</u> |                               |                    |                   |
| <b><u>OPERATIONS--WITHIN "CAPS"</u></b>    |                   |                 |                               |                    |                   |
| <b><u>Department of Administration</u></b> |                   |                 |                               |                    |                   |
| Division of Administration:                |                   |                 |                               |                    |                   |
| Business Administration Office             |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | \$ 16,003.96    | \$ 16,003.96                  | \$ 16,003.96       |                   |
| Other Expenses                             | \$ 3,665.85       | 11,697.03       | 15,362.88                     | 6,927.13           | \$ 8,435.75       |
| Mayor and Council                          |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 195.76          | 195.76                        | 195.76             |                   |
| Other Expenses                             | 147.75            | 838.54          | 986.29                        | 147.75             | 838.54            |
| Public Relations                           |                   |                 |                               |                    |                   |
| Other Expenses                             |                   | 4,913.36        | 4,913.36                      |                    | 4,913.36          |
| Office of Municipal Clerk                  |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 7,588.06        | 7,588.06                      | 7,588.06           |                   |
| Other Expenses                             | 714.20            | 3,438.00        | 4,152.20                      | 978.04             | 3,174.16          |
| Insurance                                  |                   |                 |                               |                    |                   |
| Employee Group Health                      | 9,429.85          | 373,940.52      | 383,370.37                    | 14,787.74          | 368,582.63        |
| Health Benefit Waiver                      |                   | 5,500.00        | 5,500.00                      |                    | 5,500.00          |
| <b><u>Department of Finance</u></b>        |                   |                 |                               |                    |                   |
| Division of Treasury:                      |                   |                 |                               |                    |                   |
| Treasurer                                  |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 17,120.11       | 15,750.23                     | 15,750.23          |                   |
| Other Expenses                             | 149.46            | 62.82           | 1,282.16                      | 1,238.04           | 44.12             |
| Division of Revenue:                       |                   |                 |                               |                    |                   |
| Bureau of Assessments                      |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 940.02          | 940.02                        | 940.02             |                   |
| Other Expenses                             |                   | 13,158.59       | 13,158.59                     | 3,091.30           | 10,067.29         |
| Bureau of Collections                      |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 17,302.66       | 17,302.66                     | 17,302.66          |                   |
| Other Expenses                             | 1,195.21          | 4,615.21        | 5,810.42                      | 1,195.21           | 4,615.21          |
| <b><u>Department of Engineering</u></b>    |                   |                 |                               |                    |                   |
| Township Engineer                          |                   |                 |                               |                    |                   |
| Other Expenses                             | 895.00            | 28,277.51       | 28,085.01                     | 6,813.25           | 21,271.76         |
| <b><u>Department of Law</u></b>            |                   |                 |                               |                    |                   |
| Township Solicitor                         |                   |                 |                               |                    |                   |
| Other Expenses                             |                   |                 | 300.00                        | 300.00             |                   |
| <b><u>Department of Public Safety</u></b>  |                   |                 |                               |                    |                   |
| Division of Police:                        |                   |                 |                               |                    |                   |
| Police                                     |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 213,954.17      | 213,954.17                    | 213,954.17         |                   |
| Other Expenses                             | 141,184.78        | 1,359.19        | 142,543.97                    | 138,874.19         | 3,669.78          |
| School Traffic Guards                      |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 4,822.28        | 4,822.28                      |                    | 4,822.28          |
| First Aid Organization--Contribution       |                   | 100.00          | 100.00                        |                    | 100.00            |
| Municipal Court                            |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 2,623.86        | 2,623.86                      | 2,623.86           |                   |
| Other Expenses                             | 418.85            | 1,021.10        | 1,439.95                      | 730.58             | 709.37            |
| Public Defender                            |                   |                 |                               |                    |                   |
| Other Expenses                             |                   | 6,887.00        | 6,887.00                      |                    | 6,887.00          |
| Division of Emergency Management           |                   |                 |                               |                    |                   |
| Office of Emergency Management             |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 63.00           | 63.00                         | 63.00              |                   |
| Other Expenses                             |                   | 1,000.00        | 1,000.00                      |                    | 1,000.00          |

(Continued)

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of 2016 Appropriation Reserves  
For the Year Ended December 31, 2017

|  | Balance Dec. 31,  |                 | Balance After<br>Modification | Paid or<br>Charged | Balance<br>Lapsed |
|--|-------------------|-----------------|-------------------------------|--------------------|-------------------|
|  | <u>Encumbered</u> | <u>Reserved</u> |                               |                    |                   |
| <b>OPERATIONS--WITHIN "CAPS" (CONT'D):</b> |                   |                 |                               |                    |                   |
| <u>Department of Public Works</u>          |                   |                 |                               |                    |                   |
| Division of Roads and Public Property:     |                   |                 |                               |                    |                   |
| Streets and Roads                          |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | \$ 41,792.00    | \$ 41,792.00                  | \$ 41,792.00       |                   |
| Other Expenses                             | \$ 35,443.22      | 104,953.14      | 140,396.36                    | 35,501.02          | \$ 104,895.34     |
| Solid Waste Collection                     |                   |                 |                               |                    |                   |
| Other Expenses                             |                   | 36,200.64       | 36,200.64                     | 36,200.64          |                   |
| Recycling                                  |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 84,522.29       | 84,522.29                     | 84,522.29          |                   |
| Other Expenses                             | 4,248.89          | 4,657.75        | 8,906.64                      | 4,248.89           | 4,657.75          |
| Public Buildings and Grounds               |                   |                 |                               |                    |                   |
| Other Expenses                             | 20,417.06         | 1,932.21        | 22,349.27                     | 21,145.64          | 1,203.63          |
| Division of Parks and Recreation:          |                   |                 |                               |                    |                   |
| Recreation Committee                       |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 1,629.44        | 1,629.44                      | 1,629.44           |                   |
| Other Expenses                             | 487.27            | 3,796.91        | 4,284.18                      | 699.27             | 3,584.91          |
| Juvenile Conference Committee              |                   |                 |                               |                    |                   |
| Other Expenses                             |                   | 100.00          | 100.00                        |                    | 100.00            |
| <u>Department of Health</u>                |                   |                 |                               |                    |                   |
| Division of Health:                        |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 6,256.27        | 6,256.27                      | 6,256.27           |                   |
| Other Expenses                             | 155.68            | 44.32           | 200.00                        | 155.68             | 44.32             |
| Dog Regulation:                            |                   |                 |                               |                    |                   |
| Other Expenses                             |                   | 21,000.00       | 21,000.00                     |                    | 21,000.00         |
| <u>Statutory Agencies</u>                  |                   |                 |                               |                    |                   |
| Municipal Land Use Law (N.J.S.40-55D-1)    |                   |                 |                               |                    |                   |
| Zoning Board of Adjustments                |                   |                 |                               |                    |                   |
| Other Expenses                             | 258.01            | 2,789.75        | 8,934.63                      | 8,934.63           |                   |
| Municipal Prosecutor                       |                   |                 |                               |                    |                   |
| Other Expenses                             | 15,575.00         | 658.00          | 16,233.00                     |                    | 16,233.00         |
| Planning Board                             |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 3,260.74        | 3,260.74                      | 3,260.74           |                   |
| Other Expenses                             | 328.08            | 6,703.71        | 7,031.79                      | 403.08             | 6,628.71          |
| Council on Affordable Housing              |                   |                 |                               |                    |                   |
| Other Expenses                             | 1,895.56          |                 | 2,983.06                      | 2,983.06           |                   |
| Landfill/Solid Waste Disposal Costs        |                   | 39,948.57       | 39,948.57                     | 35,721.77          | 4,226.80          |
| Utility Purchases and Bulk Purchases       |                   |                 |                               |                    |                   |
| Electricity/Gas                            | 2,859.85          | 63,840.07       | 66,699.92                     | 15,727.61          | 50,972.31         |
| Street Lighting                            |                   | 38,493.38       | 38,493.38                     | 26,748.88          | 11,744.50         |
| Telephone                                  | 1,892.45          | 7,833.16        | 9,725.61                      | 1,892.45           | 7,833.16          |
| Water                                      | 1,374.24          | 24,511.62       | 25,885.86                     | 1,374.24           | 24,511.62         |
| Gasoline                                   |                   | 122,642.20      | 122,642.20                    | 21,466.26          | 101,175.94        |
| P.L. 2000 Chapter 26:                      |                   |                 |                               |                    |                   |
| Solid Waste Service to Apartments          |                   |                 |                               |                    |                   |
| Collection                                 |                   | 77,953.74       | 77,953.74                     | 47,075.03          | 30,878.71         |
| Disposal                                   |                   | 49,314.68       | 49,314.68                     | 49,314.68          |                   |
| State Uniform Construction Code:           |                   |                 |                               |                    |                   |
| Construction Official                      |                   |                 |                               |                    |                   |
| Salaries and Wages                         |                   | 41,863.95       | 41,863.95                     | 41,863.95          |                   |
| Other Expenses                             | 338.68            | 12,842.03       | 7,293.84                      | 75.00              | 7,218.84          |

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of 2016 Appropriation Reserves  
For the Year Ended December 31, 2017

|  | Balance Dec. 31, |                 | Balance After<br>Modification | Paid or<br>Charged | Balance<br>Lapsed |
|--|------------------|-----------------|-------------------------------|--------------------|-------------------|
|  | Encumbered       | Reserved        |                               |                    |                   |
| <b>OPERATIONS--WITHIN "CAPS" (CONT'D):</b>                                     |                  |                 |                               |                    |                   |
| <u>Unclassified</u>  |                  |                 |                               |                    |                   |
| Salary Adjustment  |                  | \$ 5,000.00     | \$ 5,000.00                   |                    | \$ 5,000.00       |
| Prior Year Bill: Grande Snow 2012 and 2013                                     |                  | 2,067.00        | 2,067.00                      |                    | 2,067.00          |
| Green Team Other Expenses  |                  | 1,056.27        | 1,056.27                      |                    | 1,056.27          |
| Interest on Developers Deposits  |                  | 2,000.00        | 2,000.00                      |                    | 2,000.00          |
|  |                  | <hr/>           | <hr/>                         |                    | <hr/>             |
| Total Operations--Within "CAPS"  | \$ 243,074.94    | 1,547,086.59    | 1,790,161.53                  | \$ 938,497.47      | 851,664.06        |
| <br>Detail:  |                  |                 |                               |                    |                   |
| Salaries and Wages   |                  | 465,438.57      | 465,438.57                    | 453,746.41         | 11,692.16         |
| Other Expenses   | 243,074.94       | 1,081,648.02    | 1,324,722.96                  | 484,751.06         | 839,971.90        |
|  |                  | <hr/>           | <hr/>                         |                    | <hr/>             |
| <b>DEFERRED CHARGES AND STATUTORY</b>  |                  |                 |                               |                    |                   |
| <b>EXPENDITURES MUNICIPAL--WITHIN "CAPS"</b>                                   |                  |                 |                               |                    |                   |
| Statutory Expenditures:  |                  |                 |                               |                    |                   |
| Contribution to:   |                  |                 |                               |                    |                   |
| Social Security System (O.A.S.I.)  |                  | 113,958.23      | 113,958.23                    | 34,838.78          | 79,119.45         |
| Defined Contribution Retirement Program  |                  | 2,218.78        | 2,218.78                      | 33.72              | 2,185.06          |
| Unemployment Compensation Insurance  |                  | 802.00          | 802.00                        |                    | 802.00            |
|  |                  | <hr/>           | <hr/>                         |                    | <hr/>             |
| Total Deferred Charges and Statutory<br>Expenditures--Municipal--Within "CAPS" | -                | 116,979.01      | 116,979.01                    | 34,872.50          | 82,106.51         |
|  |                  | <hr/>           | <hr/>                         |                    | <hr/>             |
| Total General Appropriations for Municipal<br>Purposes Within--"CAPS"          | 243,074.94       | 1,664,065.60    | 1,907,140.54                  | 973,369.97         | 933,770.57        |
|  |                  | <hr/>           | <hr/>                         |                    | <hr/>             |
| <b>OPERATIONS EXCLUDED FROM "CAPS"</b>   |                  |                 |                               |                    |                   |
| Statutory Expenditures:  |                  |                 |                               |                    |                   |
| Length of Service Awards Program   | 82,000.00        |                 | 82,000.00                     | 52,750.50          | 29,249.50         |
| Landfill Recycling Fees  |                  | 12,255.75       | 12,255.75                     | 1,220.25           | 11,035.50         |
| Municipal Water Services   |                  |                 |                               |                    |                   |
| Other Expenses   |                  | 5,500.00        | 5,500.00                      |                    | 5,500.00          |
|  |                  | <hr/>           | <hr/>                         |                    | <hr/>             |
| Total Operations--Excluded from "CAPS"   | 82,000.00        | 17,755.75       | 99,755.75                     | 53,970.75          | 45,785.00         |
|  |                  | <hr/>           | <hr/>                         |                    | <hr/>             |
| Detail:  |                  |                 |                               |                    |                   |
| Other Expenses   | 82,000.00        | 17,755.75       | 99,755.75                     | 53,970.75          | 45,785.00         |
|  |                  | <hr/>           | <hr/>                         |                    | <hr/>             |
| Total General Appropriations   | \$ 325,074.94    | \$ 1,681,821.35 | \$ 2,006,896.29               | \$ 1,027,340.72    | \$ 979,555.57     |
|  |                  | <hr/>           | <hr/>                         |                    | <hr/>             |
| Disbursed  |                  |                 |                               | \$ 538,882.71      |                   |
| Charged to Accounts Payable  |                  |                 |                               | 488,458.01         |                   |
|  |                  |                 |                               | <hr/>              |                   |
|  |                  |                 |                               | \$ 1,027,340.72    |                   |
|  |                  |                 |                               | <hr/>              |                   |

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Due to State of New Jersey - Marriage License Fees  
For the Year Ended December 31, 2017

---

|                       |  |           |
|-----------------------|--|-----------|
| Balance Dec. 31, 2016 |  | \$ 725.00 |
| Increased by:         |  |           |
| State Fees Collected  |  | 2,725.00  |
|                       |  | 3,450.00  |
| Decreased by:         |  |           |
| State Fees Disbursed  |  | 2,875.00  |
| Balance Dec. 31, 2017 |  | \$ 575.00 |

## Exhibit SA-10

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Prepaid Taxes  
For the Year Ended December 31, 2017

---

|                                       |                 |                 |
|---------------------------------------|-----------------|-----------------|
| Balance Dec. 31, 2016 (2017 Taxes)    |                 | \$ 432,058.46   |
| Increased by:                         |                 |                 |
| Collections-- 2018 Taxes -- Collector | \$ 1,483,778.46 |                 |
| Overpayments Applied                  | 9,916.93        |                 |
|                                       |                 | 1,493,695.39    |
| Decreased by:                         |                 |                 |
| Application to 2017 Taxes Receivable  |                 | 1,925,753.85    |
|                                       |                 | 432,058.46      |
| Balance Dec. 31, 2017 (2018 Taxes)    |                 | \$ 1,493,695.39 |

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Tax Overpayments  
For the Year Ended December 31, 2017

---

|   |                  |                            |
|---|------------------|----------------------------|
| Balance Dec. 31, 2016                       |                  | \$ 33,631.71               |
| Increased by:                               |                  |                            |
| Overpayments Collected in 2017 -- Collector |                  | <u>53,785.01</u>           |
|   |                  | 87,416.72                  |
| Decreased by:                               |                  |                            |
| Applied to 2017 Taxes                       | \$ 10,747.64     |                            |
| Applied to 2018 Taxes                       | 9,916.93         |                            |
| Refunds                                     | <u>16,449.53</u> |                            |
|   |                  | <u>37,114.10</u>           |
| Balance Dec. 31, 2017                       |                  | <u><u>\$ 50,302.62</u></u> |

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Due to State of New Jersey - Department of Community Affairs - Training Fees  
For the Year Ended December 31, 2017

---

|                       |  |                           |
|-----------------------|--|---------------------------|
| Balance Dec. 31, 2016 |  | \$ 5,172.00               |
| Increased by:         |  |                           |
| State Fees Collected  |  | <u>26,608.00</u>          |
|                       |  | 31,780.00                 |
| Decreased by:         |  |                           |
| Disbursements         |  | <u>26,885.00</u>          |
| Balance Dec. 31, 2017 |  | <u><u>\$ 4,895.00</u></u> |



**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Payroll Deductions Payable  
For the Year Ended December 31, 2017

---

|                                 |    |              |
|---------------------------------|----|--------------|
| Balance Dec. 31, 2016           | \$ | 50,631.48    |
| Increased by:                   |    |              |
| Charges to Budget Appropriation |    | 6,790,074.76 |
|                                 |    | 6,840,706.24 |
| Decreased by:                   |    |              |
| Disbursements                   |    | 6,789,788.45 |
| Balance Dec. 31, 2017           | \$ | 50,917.79    |

Exhibit SA-14

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Special District Taxes Payable  
For the Year Ended December 31, 2017

---

|                                |    |                 |
|--------------------------------|----|-----------------|
| 2017 Levy--Fire District No. 1 | \$ | 2,205,770.00    |
| Decreased by:                  |    |                 |
| Payments                       |    | \$ 2,205,770.00 |

Exhibit SA-15

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of County Taxes Payable  
For the Year Ended December 31, 2017

---

|                          |    |                 |
|--------------------------|----|-----------------|
| Levy--Calendar Year 2017 |    |                 |
| County Tax               | \$ | 4,963,041.49    |
| County Library Tax       |    | 458,645.66      |
| County Open Space Taxes  |    | 591,636.43      |
|                          |    | \$ 6,013,323.58 |
| Decreased by:            |    |                 |
| Payments                 |    | \$ 6,013,323.58 |

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Due County for Added and Omitted Taxes  
For the Year Ended December 31, 2017

---

|   |                  |                     |
|---|------------------|---------------------|
| Balance Dec. 31, 2016                   |                  |                     |
| Added Taxes (2015)                      | \$ 24,323.03     |                     |
| Added Taxes (2016)                      | <u>653.07</u>    |                     |
|   |                  | \$ 24,976.10        |
|   |                  |                     |
| Increased by County Share of 2017 Levy: |                  |                     |
| Rollback Assessment (2014)              | 2,924.65         |                     |
| Rollback Assessment (2015)              | 3,160.36         |                     |
| Rollback Assessment (2016)              | 3,116.62         |                     |
| Added Taxes (2016)                      | 15.52            |                     |
| Added Taxes (2017)                      | <u>14,751.93</u> |                     |
|   |                  | <u>23,969.08</u>    |
|   |                  | 48,945.18           |
| Decreased by:                           |                  |                     |
| Payments                                |                  | <u>24,976.10</u>    |
|   |                  |                     |
| Balance Dec. 31, 2017                   |                  |                     |
| Rollback Assessment (2014)              | 2,924.65         |                     |
| Rollback Assessment (2015)              | 3,160.36         |                     |
| Rollback Assessment (2016)              | 3,116.62         |                     |
| Added Taxes (2016)                      | 15.52            |                     |
| Added Taxes (2017)                      | <u>14,751.93</u> |                     |
|   |                  | <u>\$ 23,969.08</u> |

Exhibit SA-17

**TOWNSHIP OF DELRAN**  
**CURRENT FUND**  
Statement of Local District School Tax Payable  
For the Year Ended December 31, 2017

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|                          |  |                         |
|--------------------------|--|-------------------------|
| Levy--Calendar Year 2017 |  | \$ 33,132,758.00        |
|                          |  |                         |
| Decreased by:            |  |                         |
| Payments                 |  | <u>\$ 33,132,758.00</u> |

**TOWNSHIP OF DELRAN**  
**FEDERAL, STATE AND LOCAL GRANT FUND**  
 Statement of Federal, State and Local Grants Receivable  
 For the Year Ended December 31, 2017

| <u>Program</u>   | <u>Balance<br/>Dec. 31, 2016</u> | <u>Federal<br/>and State<br/>Grant Funds<br/>Receivable</u> | <u>Received</u> | <u>Canceled</u>    | <u>Balance<br/>Dec. 31, 2017</u> |
|--|----------------------------------|---|-----------------|--------------------|----------------------------------|
| <b>Federal:</b>  |                                  |   |                 |                    |                                  |
| Bulletproof Vest Partnership Grant                             |                                  | \$ 1,868.00   | \$ 1,868.00     |                    |                                  |
| Click It or Ticket   |                                  | 5,500.00  | 5,500.00        |                    |                                  |
| Distracted Driving Statewide Crackdown Grant                   |                                  | 5,500.00  | 5,500.00        |                    |                                  |
| Drive Sober or Get Pulled Over                                 |                                  | 5,000.00  | 5,000.00        |                    |                                  |
| Total Federal  | \$ -                             | 17,868.00   | 17,868.00       | \$ -               | \$ -                             |
| <b>State:</b>  |                                  |   |                 |                    |                                  |
| Body Armor Replacement Fund                                    |                                  | 2,990.70  | 2,990.70        |                    |                                  |
| Clean Communities Program                                      |                                  | 32,554.79   | 32,554.79       |                    |                                  |
| Municipal Court - Alcohol Education and Rehabilitation Program |                                  | 6,562.67  | 6,562.67        |                    |                                  |
| New Jersey Department of Environmental Protection              | 9,661.43                         |   |                 | 9,661.43           |                                  |
| Recycling Tonnage Grant  |                                  | 53,265.09   | 53,265.09       |                    |                                  |
| Safe and Secure Communities Program                            |                                  | 60,000.00   | 60,000.00       |                    |                                  |
| Total State  | 9,661.43                         | 155,373.25  | 155,373.25      | 9,661.43           | -                                |
| <b>Local:</b>  |                                  |   |                 |                    |                                  |
| Burlington County Park Grant                                   | 250,000.00                       | -   | 250,000.00      | -                  | -                                |
|  | \$ 259,661.43                    | \$ 173,241.25   | \$ 423,241.25   | \$ 9,661.43        | \$ -                             |
| Federal, State and Local Grants Appropriated Reserves          |                                  |   |                 | \$ 9,069.43        |                                  |
| Current Fund - Fund Balance                                    |                                  |   |                 | 592.00             |                                  |
|  |                                  |   |                 | <u>\$ 9,661.43</u> |                                  |

**TOWNSHIP OF DELRAN**  
**FEDERAL, STATE AND LOCAL GRANT FUND**  
Statement of Unappropriated Reserves for Federal, State and Local Grants  
For the Year Ended December 31, 2017

| <u>Program</u>  | <u>Balance<br/>Dec. 31, 2016</u> | <u>Federal<br/>and State<br/>Grant Funds<br/>Receivable</u> | <u>Miscellaneous<br/>Revenue in<br/>2017 Budget</u> | <u>Balance<br/>Dec. 31, 2017</u> |
|---|----------------------------------|---|---|----------------------------------|
| Federal:  |                                  |   |   |                                  |
| Bulletproof Vest Partnership Grant  |                                  | \$ 1,868.00   |   | \$ 1,868.00                      |
| Click It or Ticket  |                                  | 5,500.00  | \$ 5,500.00   |                                  |
| Drive Sober or Get Pulled Over  | \$ 5,000.00                      | 5,000.00  | 5,000.00  | 5,000.00                         |
| Distracted Driving Statewide Crackdown Grant  |                                  | 5,500.00  | 5,500.00  |                                  |
| New Jersey Department of Transportation & Delaware Valley<br>Regional Planning Commission - Tenby Chase Project Grant | 82,944.97                        |   | 82,944.97   |                                  |
| Total Federal   | 87,944.97                        | 17,868.00   | 98,944.97   | 6,868.00                         |
| State:  |                                  |   |   |                                  |
| Body Armor Replacement Fund Grant   |                                  | 2,990.70  | 2,990.70  |                                  |
| Clean Communities Grant Program   |                                  | 32,554.79   | 32,554.79   |                                  |
| Municipal Court - Alcohol Education and Rehabilitation Program  |                                  | 6,562.67  | 6,562.67  |                                  |
| Recycling Tonnage Grant   |                                  | 53,265.09   | 27,081.75   | 26,183.34                        |
| Safe and Secure Communities Program   | 60,000.00                        | 60,000.00   | 60,000.00   | 60,000.00                        |
| Total State   | 60,000.00                        | 155,373.25  | 129,189.91  | 86,183.34                        |
|   | <u>\$ 147,944.97</u>             | <u>\$ 173,241.25</u>  | <u>\$ 228,134.88</u>                                | <u>\$ 93,051.34</u>              |

**TOWNSHIP OF DELRAN**  
**FEDERAL, STATE AND LOCAL GRANT FUND**  
Statement of Appropriated Reserves for Federal, State and Local Grants  
For the Year Ended December 31, 2017

| <u>Program</u>  | <u>Balance<br/>Dec. 31, 2016</u> | <u>Transferred<br/>from Budget<br/>Appropriations</u> | <u>Disbursed</u>    | <u>Cancelled<br/>Prior Year<br/>Encumbrances</u> | <u>Cancelled</u>  | <u>Balance<br/>Dec. 31, 2017</u> |
|---|----------------------------------|---|---------------------|--|-------------------|----------------------------------|
| Federal:  |                                  |   |                     |  |                   |                                  |
| Bulletproof Vest Partnership Grant  | \$ 2,092.18                      |   | \$ 2,092.18         |  |                   |                                  |
| Click It or Ticket  |                                  | \$ 5,500.00   | 5,500.00            |  |                   |                                  |
| Drive Sober or get Pulled Over  | 5,000.00                         | 5,000.00  | 10,000.00           |  |                   |                                  |
| Distracted Driving Statewide Crackdown Grant  |                                  | 5,500.00  | 5,500.00            |  |                   |                                  |
| Drunk Driving Enforcement Grant   | 5,056.67                         |   | 5,056.67            |  |                   |                                  |
| New Jersey Department of Transportation & Delaware Valley<br>Regional Planning Commission - Tenby Chase Project Grant |                                  | 82,944.97   | 82,944.97           |  |                   |                                  |
| Total Federal   | 12,148.85                        | 98,944.97   | 111,093.82          | \$ -   | \$ -              | \$ -                             |
| State:  |                                  |   |                     |  |                   |                                  |
| Body Armor Replacement Fund Grant   | 4,014.50                         | 2,990.70  | 4,014.50            |  |                   | 2,990.70                         |
| Clean Communities Grant Program   | 69,536.72                        | 32,554.79   | 20,374.70           |  |                   | 81,716.81                        |
| Governor's Council on Drug Abuse - Municipal Drug Alliance  | 7,623.39                         |   |                     |  |                   | 7,623.39                         |
| Municipal Court - Alcohol Education and Rehabilitation Program  | 87,457.76                        | 6,562.67  |                     |  |                   | 94,020.43                        |
| New Jersey Department of Environmental Protection   | 7,587.25                         |   |                     | 1,482.18   | 9,069.43          |                                  |
| Recycling Tonnage Grant   | 79,667.80                        | 27,081.75   | 9,322.64            |  |                   | 97,426.91                        |
| Safe and Secure Communities Program   | 62,684.00                        | 84,669.00   | 60,000.00           |  |                   | 87,353.00                        |
| Total State   | 318,571.42                       | 153,858.91  | 93,711.84           | 1,482.18   | 9,069.43          | 371,131.24                       |
| Local:  |                                  |   |                     |  |                   |                                  |
| Burlington County Park Grant  | -                                | -   | -                   | 1,873.50   | -                 | 1,873.50                         |
|   | <u>\$330,720.27</u>              | <u>\$252,803.88</u>                                   | <u>\$204,805.66</u> | <u>\$ 3,355.68</u>                               | <u>\$9,069.43</u> | <u>\$373,004.74</u>              |
| Due to General Capital Fund   |                                  |   | \$ 82,944.97        |  |                   |                                  |
| Disbursed   |                                  |   | <u>121,860.69</u>   |  |                   |                                  |
|   |                                  |   | <u>\$204,805.66</u> |  |                   |                                  |

**TOWNSHIP OF DELRAN**  
 FEDERAL, STATE AND LOCAL GRANT FUND  
 Statement of Reserve for Encumbrances  
 For the Year Ended December 31, 2017

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|                       |                 |                         |
|-----------------------|-----------------|-------------------------|
| Balance Dec. 31, 2016 |                 | \$ 258,371.36           |
| Decreased by:         |                 |                         |
| Disbursed             | \$ 254,715.46   |                         |
| Cancelled             | <u>3,355.68</u> |                         |
|                       |                 | <u>258,071.14</u>       |
| Balance Dec. 31, 2017 |                 | <u><u>\$ 300.22</u></u> |

**SUPPLEMENTAL EXHIBITS**

**TRUST FUND**

**TOWNSHIP OF DELRAN**  
**TRUST FUND**  
Statement of Trust Cash per N.J.S. 40A:5-5--Treasurer  
For Year Ended December 31, 2017

|                                      | <u>Animal Control</u> | <u>Open Space</u>     | <u>Trust Other</u>    |
|--------------------------------------|-----------------------|-----------------------|-----------------------|
| Balance Dec. 31, 2016                | \$ 7,591.83           | \$2,078,592.06        | \$2,331,665.24        |
| Increased by Receipts:               |                       |                       |                       |
| Dog License Fees                     | \$ 9,565.40           |                       |                       |
| Cat License Fees                     | 617.00                |                       |                       |
| Late Registration Fees               | 740.00                |                       |                       |
| Budget Appropriation                 | 16,000.00             |                       |                       |
| State Registration Fees              | 1,041.60              |                       |                       |
| Open Space Taxes                     |                       | \$ 325,000.00         |                       |
| Reserve for Open Space Trust Fund    |                       | 9,159.02              |                       |
| Reserve for Payment of Debt          |                       | 20,400.00             |                       |
| Miscellaneous Trust Reserves         |                       |                       | \$1,519,457.77        |
| Accounts Receivable - Outside Police |                       |                       | 4,880.00              |
| Due to Current                       |                       |                       | 3,401.46              |
|                                      | <u>27,964.00</u>      | <u>354,559.02</u>     | <u>1,527,739.23</u>   |
|                                      | 35,555.83             | 2,433,151.08          | 3,859,404.47          |
| Decreased by Disbursements:          |                       |                       |                       |
| Expenditures Under R.S.4:19-15.11    | 21,316.24             |                       |                       |
| State Registration Fees              | 1,041.60              |                       |                       |
| Reserve for Open Space Trust Fund    |                       | 225,732.82            |                       |
| Due to Current Fund                  |                       | 1,313.14              |                       |
| Miscellaneous Trust Reserves         |                       |                       | 30,779.44             |
|                                      | <u>22,357.84</u>      | <u>227,045.96</u>     | <u>1,506,192.16</u>   |
| Balance Dec. 31, 2017                | <u>\$ 13,197.99</u>   | <u>\$2,206,105.12</u> | <u>\$2,322,432.87</u> |



**TOWNSHIP OF DELRAN**  
**TRUST - OTHER FUND**  
Statement of Investments - Length of Service Awards Program  
For Year Ended December 31, 2017

|                                   |              |               |
|-----------------------------------|--------------|---------------|
| Balance Dec. 31, 2016             |              | \$ 629,568.01 |
| Increased by:                     |              |               |
| Current Fund Budget Appropriation | \$ 52,750.50 |               |
| Interest on Investments           | 1,540.21     |               |
| Unrealized Gain on Investments    | 88,448.86    |               |
|                                   |              | 142,739.57    |
|                                   |              | 772,307.58    |
| Decreased by:                     |              |               |
| Benefits Paid to Participants     |              | 45,183.66     |
| Balance Dec. 31, 2017             |              | \$ 727,123.92 |

Schedule of Investments, Dec. 31, 2017

| Description                   | Amount        |
|-------------------------------|---------------|
| Fixed Annuity Contract        | \$ 30,909.01  |
| Money Market Funds            | 49,005.22     |
| Variable Earnings Investments | 647,209.69    |
|                               | \$ 727,123.92 |

**TOWNSHIP OF DELRAN**  
**TRUST - OTHER FUND**  
Statement of Due to Current Fund  
For Year Ended December 31, 2017

|  |             |               |
|--|-------------|---------------|
| Balance Dec. 31, 2016  |             | \$ 182,517.69 |
| Increased by:  |             |               |
| Cash Receipts:   |             |               |
| Interest on Investments  | \$ 3,401.46 |               |
| Accounts Payable Disbursed by Current Fund                         | 11,705.00   |               |
| Length of Service Award Program Forfeitures                        | 25,901.03   |               |
|  |             | 41,007.49     |
|  |             | 223,525.18    |
| Decreased by:  |             |               |
| Cash Disbursements:  |             |               |
| Realized as Miscellaneous Revenue - Interest of Investments        | 224.18      |               |
| Interfund Returned   | 30,555.26   |               |
| Employee Contributions for Unemployment Insurance                  | 8,346.92    |               |
| Outside Police Employment Funds Received in Current Fund - Prepaid | 17,047.50   |               |
|  |             | 56,173.86     |
| Balance Dec. 31, 2017  |             | \$ 167,351.32 |
| <u>Analysis of Balance Dec. 31, 2017</u>                           |             |               |
| Length of Service Award Program Forfeitures                        |             | \$ 64,337.13  |
| Storm Recovery - Interest Earned                                   |             | 22.56         |
| Accumulated Absences - Interest Earned                             |             | 270.03        |
| Lien Redemption - Premium Forfeitures                              |             | 39,588.76     |
| Escrow - Interest Earned   |             | 4,782.98      |
| Outside Police - Prepaid   |             | (10,747.50)   |
| Unemployment - Employee Contributions                              |             | (16,167.21)   |
| Outside Police - Reimbursement to Current Fund                     |             | 85,264.57     |
|  |             | \$ 167,351.32 |

**TOWNSHIP OF DELRAN**  
**TRUST - OTHER FUND**  
 Statement of Accounts Receivable - Outside Police  
 For Year Ended December 31, 2017

---

|                               |             |
|-------------------------------|-------------|
| Balance Dec. 31, 2016         | \$ 4,880.00 |
| Increased by:                 |             |
| Accrued for Services Rendered | 5,280.00    |
|                               | 10,160.00   |
| Decreased by:                 |             |
| Receipts                      | 4,880.00    |
| Balance Dec. 31, 2017         | \$ 5,280.00 |

**TOWNSHIP OF DELRAN**  
**TRUST - ANIMAL CONTROL FUND**  
 Statement of Reserve for Animal Control Expenditures  
 For Year Ended December 31, 2017

---

|                                    |              |
|------------------------------------|--------------|
| Balance Dec. 31, 2016              | \$ 7,641.83  |
| Increased by:                      |              |
| Receipts:                          |              |
| Current Fund Budget Appropriation  | \$ 16,000.00 |
| Dog License Fees Collected         | 9,565.40     |
| Cat License Fees Collected         | 617.00       |
| Late Registration Fees             | 740.00       |
|                                    | 26,922.40    |
|                                    | 34,564.23    |
| Decreased by:                      |              |
| Expenditures Under R.S.4:19-15.11: |              |
| Cash Disbursed                     | 21,316.24    |
| Accounts Payable                   | 765.00       |
|                                    | 22,081.24    |
| Balance Dec. 31, 2017              | \$ 12,482.99 |

Animal Control Fees Collected

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 2015        | \$ 11,909.40  |
| 2016        | 11,407.00     |
|             | \$ 23,316.40  |

**TOWNSHIP OF DELRAN**  
**TRUST - OPEN SPACE FUND**  
Statement of Reserve Open Space Trust Fund  
For Year Ended December 31, 2017

|   |                   |                               |
|---|-------------------|-------------------------------|
| Balance Dec. 31, 2016   |                   | \$ 1,886,050.10               |
| Increased by:   |                   |                               |
| Interest Earned on Investments and Deposits   | \$ 9,159.02       |                               |
| Realized Reserve to Pay Debt  | 142,047.58        |                               |
| Open Space Taxes  | <u>325,000.00</u> |                               |
|   |                   | <u>476,206.60</u>             |
|   |                   | 2,362,256.70                  |
| Decreased by:   |                   |                               |
| Cash Disbursements:   |                   |                               |
| Debt Service:   |                   |                               |
| Payment of Bond Principal   | \$ 84,000.00      |                               |
| Payment of Bond Anticipation Note   | 69,480.00         |                               |
| Interest on Bonds   | 52,148.44         |                               |
| Interest on Notes   | <u>20,104.38</u>  |                               |
|   |                   | 225,732.82                    |
| Due to General Capital Fund - Deferred Charges to Future Taxation Unfunded Ord 2011-7 | 200,000.00        |                               |
| Due to Current Fund - Interest on Bond Anticipation Notes                             | <u>9,181.31</u>   |                               |
|   |                   | <u>434,914.13</u>             |
| Balance Dec. 31, 2017   |                   | <u><u>\$ 1,927,342.57</u></u> |

Exhibit SB-7

**TOWNSHIP OF DELRAN**  
**TRUST - OPEN SPACE FUND**  
Statement of Due to Current Fund  
For Year Ended December 31, 2017

|  |  |                           |
|--|--|---------------------------|
| Balance Dec. 31, 2016                                    |  | \$ 1,313.14               |
| Increased by:  |  |                           |
| Interest on Bond Anticipation Notes paid by Current Fund |  | <u>9,181.31</u>           |
|  |  | 10,494.45                 |
| Decreased by:  |  |                           |
| Cash Disbursements:                                      |  |                           |
| Interfund Returned                                       |  | <u>1,313.14</u>           |
| Balance Dec. 31, 2017                                    |  | <u><u>\$ 9,181.31</u></u> |

**TOWNSHIP OF DELRAN**  
**TRUST - OPEN SPACE FUND**  
Statement of Reserve for Payment of Debt  
For Year Ended December 31, 2017

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|  |                            |
|--|----------------------------|
| Balance Dec. 31, 2016                            | \$ 191,228.82              |
| Increased by:                                    |                            |
| Receipts - County Appropriation                  | <u>20,400.00</u>           |
|  | 211,628.82                 |
| Decreased by:                                    |                            |
| Realized as Revenue in Trust - Open Space Budget | <u>142,047.58</u>          |
| Balance Dec. 31, 2017                            | <u><u>\$ 69,581.24</u></u> |

Exhibit SB-9

**TOWNSHIP OF DELRAN**  
**TRUST - OTHER FUND**  
Statement of Accounts Payable  
For Year Ended December 31, 2017

---

|  |                            |
|--|----------------------------|
| Balance Dec. 31, 2016                                  | \$ 77,971.52               |
| Increased by:  |                            |
| Miscellaneous Trust Reserves                           | <u>27,608.80</u>           |
|  | 105,580.32                 |
| Decreased by:  |                            |
| Disbursed by Current Fund                              | <u>11,705.00</u>           |
| Balance Dec. 31, 2017                                  | <u><u>\$ 93,875.32</u></u> |
| <u>Analysis of Balance Dec. 31, 2017</u>               |                            |
| Due to Criminal Disposition and Review Collection Fund | \$ 75,967.82               |
| Salaries and Wages Payable - Outside Police            | <u>17,907.50</u>           |
|  | <u><u>\$ 93,875.32</u></u> |

**TOWNSHIP OF DELRAN**  
**TRUST - OTHER FUND**  
 Statement of Prepaid Outside Police  
 For Year Ended December 31, 2017

---

|                          |                            |
|--------------------------|----------------------------|
| Balance Dec. 31, 2016    | \$ 15,485.00               |
| Increased by:            |                            |
| Received in Current Fund | <u>17,047.50</u>           |
|                          | 32,532.50                  |
| Decreased by:            |                            |
| Applied to Reserve       | <u>15,485.00</u>           |
| Balance Dec. 31, 2017    | <u><u>\$ 17,047.50</u></u> |

**TOWNSHIP OF DELRAN**  
**TRUST - OTHER FUND**  
 Statement of Due to Sewer Utility Operating Fund  
 For Year Ended December 31, 2017

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|                                     |                           |
|-------------------------------------|---------------------------|
| Balance Dec. 31, 2016               | \$ 4,654.04               |
| Decreased by:                       |                           |
| Budget Appropriation - Unemployment | <u>3,000.00</u>           |
| Balance Dec. 31, 2017               | <u><u>\$ 1,654.04</u></u> |

**TOWNSHIP OF DELRAN**  
**TRUST - OTHER FUND**  
Statement of Miscellaneous Trust Reserves  
For Year Ended December 31, 2017

|   | Balance<br>Dec. 31, 2016 | Increased by           |                                      |                             | Disbursements          | Accounts<br>Receivable | Prepaid<br>Applied  | Accounts<br>Payable   | Balance<br>Dec. 31, 2017 |
|---|--------------------------|------------------------|--------------------------------------|-----------------------------|------------------------|------------------------|---------------------|-----------------------|--------------------------|
|   |                          | Receipts               | Unrealized<br>Gain on<br>Investments | Due From (to)<br>Other Fund |                        |                        |                     |                       |                          |
| Reserve for:  |                          |                        |                                      |                             |                        |                        |                     |                       |                          |
| Street Opening Deposits   | \$ 14,036.58             | \$ 16,174.58           |                                      |                             | \$ 6,170.50            |                        |                     |                       | \$ 24,040.66             |
| New Jersey Unemployment Insurance                                       | 53,120.81                |                        |                                      | \$ 11,346.92                | 4,324.23               |                        |                     |                       | 60,143.50                |
| Planning Escrow Fund Deposits   | 608,396.07               | 130,077.41             |                                      |                             | 353,563.76             |                        |                     |                       | 384,909.72               |
| Affordable Housing Trust Funds  | 711,431.53               | 113,485.80             |                                      |                             | 10,593.30              |                        |                     |                       | 814,324.03               |
| Public Defender Fees  | 16,168.80                | 11,257.50              |                                      |                             | 8,100.00               |                        | \$ (9,701.30)       |                       | 9,625.00                 |
| Credit Card Program   | 7,619.60                 |                        |                                      |                             |                        |                        |                     |                       | 7,619.60                 |
| Parking Offense Adjudication Act  | 764.00                   | 24.00                  |                                      |                             |                        |                        |                     |                       | 788.00                   |
| Tax Sale Premiums   | 403,400.00               | 407,100.00             |                                      |                             | 362,700.00             |                        |                     |                       | 447,800.00               |
| Delran Day Donations  | 8,770.64                 | 5,100.00               |                                      |                             | 2,932.00               |                        |                     |                       | 10,938.64                |
| Deposits for Redemption of Tax Sale<br>Certificates                     | 8,901.85                 | 634,332.08             |                                      |                             | 607,222.75             |                        |                     |                       | 36,011.18                |
| Performance/ Maintenance Escrows  | 15,192.64                | 5.08                   |                                      |                             |                        |                        |                     |                       | 15,197.72                |
| Police Emergency Service Equipment                                      | 1,555.47                 |                        |                                      |                             |                        |                        |                     |                       | 1,555.47                 |
| Special Law Enforcement   | 26,838.08                | 396.32                 |                                      |                             |                        |                        |                     |                       | 27,234.40                |
| Length of Service Awards Program  | 591,131.91               | 54,290.71              | \$ 88,448.86                         | (25,901.03)                 | 45,183.66              |                        |                     |                       | 662,786.79               |
| Bike Patrol   | 9,065.87                 |                        |                                      |                             |                        |                        |                     |                       | 9,065.87                 |
| Outside Police Employment   |                          | 146,505.00             |                                      |                             | 149,362.50             | \$ 5,280.00            | \$ 15,485.00        | (17,907.50)           |                          |
| Jake's Place  | 2,004.00                 | 5,000.00               |                                      |                             |                        |                        |                     |                       | 7,004.00                 |
| Storm Recovery  | 40,000.00                |                        |                                      |                             |                        |                        |                     |                       | 40,000.00                |
| Accumulated Absences  | 125,221.03               | 50,000.00              |                                      |                             |                        |                        |                     |                       | 175,221.03               |
| Multiple-Dwelling Security Deposits                                     | 14,626.39                |                        |                                      |                             |                        |                        |                     |                       | 14,626.39                |
| Kenneth Johnston Memorial Fund  | 319.23                   |                        |                                      |                             |                        |                        |                     |                       | 319.23                   |
| Police Unclaimed Funds  | 4,806.50                 |                        |                                      |                             |                        |                        |                     |                       | 4,806.50                 |
| Easter Egg Hunt   | 1,950.00                 |                        |                                      |                             | 1,223.12               |                        |                     |                       | 726.88                   |
| Community Park Donations  | 18,364.00                |                        |                                      |                             |                        |                        |                     |                       | 18,364.00                |
| Mayor's Great Grill Off   | 1,800.00                 |                        |                                      |                             |                        |                        |                     |                       | 1,800.00                 |
|   | <u>\$ 2,685,485.00</u>   | <u>\$ 1,573,748.48</u> | <u>\$ 88,448.86</u>                  | <u>\$ (14,554.11)</u>       | <u>\$ 1,551,375.82</u> | <u>\$ 5,280.00</u>     | <u>\$ 15,485.00</u> | <u>\$ (27,608.80)</u> | <u>\$ 2,774,908.61</u>   |
| Cash - Treasurer  |                          | \$ 1,519,457.77        |                                      |                             | \$ 1,506,192.16        |                        |                     |                       |                          |
| Investments   |                          | <u>54,290.71</u>       |                                      |                             | <u>45,183.66</u>       |                        |                     |                       |                          |
|   |                          | <u>\$ 1,573,748.48</u> |                                      |                             | <u>\$ 1,551,375.82</u> |                        |                     |                       |                          |
| Due to Current Fund - LOSAP Forfeitures                                 |                          |                        |                                      | \$ (25,901.03)              |                        |                        |                     |                       |                          |
| Due to Current Fund - Employee Contributions for Unemployment Insurance |                          |                        |                                      | 8,346.92                    |                        |                        |                     |                       |                          |
| Due to Sewer Utility Operating Fund                                     |                          |                        |                                      | <u>3,000.00</u>             |                        |                        |                     |                       |                          |
|   |                          |                        |                                      | <u>\$ (14,554.11)</u>       |                        |                        |                     |                       |                          |

**SUPPLEMENTAL EXHIBITS**

**GENERAL CAPITAL FUND**



**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of General Capital Cash per N.J.S. 40A:5-5--Treasurer  
For the Year Ended December 31, 2017

|  |                      |                               |
|--|----------------------|-------------------------------|
| Balance Dec. 31, 2016                      |                      | \$ 3,162,421.53               |
| Increased by Receipts:                     |                      |                               |
| Bond Anticipation Note Premium             | \$ 145,025.51        |                               |
| Capital Improvement Fund                   | 150,000.00           |                               |
| Current Fund Budget Appropriation          | 57,686.97            |                               |
| Interest on Investment due to Current Fund | 10,185.91            |                               |
| Bond Anticipation Note                     | <u>10,954,000.00</u> |                               |
|  |                      | <u>11,316,898.39</u>          |
|  |                      | 14,479,319.92                 |
| Decreased by Disbursements:                |                      |                               |
| Improvement Authorizations                 | 1,732,627.91         |                               |
| Repayment of Bond Anticipation Notes       | 8,609,008.03         |                               |
| Contracts Payable                          | 1,137,244.32         |                               |
| Due to Current Fund                        | <u>8,369.40</u>      |                               |
|  |                      | <u>11,487,249.66</u>          |
| Balance Dec. 31, 2017                      |                      | <u><u>\$ 2,992,070.26</u></u> |

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
**Statement of General Capital Cash**  
**For the Year Ended December 31, 2017**

|  | Balance<br>(Deficit)<br>Dec. 31, 2016 | Receipts                      |               | Disbursements                 |                               |               | Transfers   |               | Balance<br>(Deficit)<br>Dec. 31, 2017 |
|--|---------------------------------------|-------------------------------|---------------|-------------------------------|-------------------------------|---------------|-------------|---------------|---------------------------------------|
|  |                                       | Bond<br>Anticipation<br>Notes | Miscellaneous | Improvement<br>Authorizations | Bond<br>Anticipation<br>Notes | Miscellaneous | From        | To            |                                       |
| Fund Balance   | \$ 72,636.93                          |                               |               |                               |                               |               |             |               | \$ 72,636.93                          |
| Capital Improvement Fund   | 168,102.32                            |                               | \$ 150,000.00 |                               |                               | \$ 223,809.00 |             |               | 94,293.32                             |
| Due to Current Fund  | 490.55                                |                               | 10,185.91     |                               |                               |               | \$ 8,369.40 | \$ 313,950.00 | 316,257.06                            |
| Due from Trust - Open Space Fund   |                                       |                               |               |                               |                               | 200,000.00    |             |               | (200,000.00)                          |
| Grants Receivable  | (24,364.97)                           |                               |               |                               |                               | 356,000.00    |             | 24,364.97     | (356,000.00)                          |
| Due to Federal, State and Local Grant Fund   | 13,930.20                             |                               |               |                               |                               | 390,605.47    |             |               | (376,675.27)                          |
| Reserve for:   |                                       |                               |               |                               |                               |               |             |               |                                       |
| Repairs and Improvements to Drainage Facilities  | 15,000.00                             |                               |               |                               |                               |               |             |               | 15,000.00                             |
| Generator  | 20,000.00                             |                               |               |                               |                               |               |             |               | 20,000.00                             |
| Traffic Improvements   | 15,000.00                             |                               |               |                               |                               |               |             |               | 15,000.00                             |
| Storm Sewer Maintenance  | 21,750.00                             |                               |               |                               |                               |               |             |               | 21,750.00                             |
| Preliminary Expenses   | 1,249.94                              |                               |               |                               |                               |               |             |               | 1,249.94                              |
| Payment of Bonds and Notes   | 657,466.96                            |                               | 145,025.51    |                               |                               |               |             | 313,950.00    | 794,077.97                            |
| Contracts Payable  | 1,270,360.13                          |                               |               |                               |                               | 1,137,244.32  | 29,621.50   | 844,502.99    | 947,997.30                            |
| Excess Note Proceeds   | 8.03                                  |                               |               |                               | \$ 8.03                       |               |             |               |                                       |
| Improvement Authorizations:  |                                       |                               |               |                               |                               |               |             |               |                                       |
| Ordinance Number   |                                       |                               |               |                               |                               |               |             |               |                                       |
| 2008-15 Acquisition of Property  | 88,413.86                             |                               |               | \$ 1,150.00                   |                               |               |             |               | 87,263.86                             |
| 2009-19 Acquisition of Various Equipment   | 370.00                                |                               |               |                               |                               |               |             |               | 370.00                                |
| 2010-01 Reconstruction of Haines Mill Road, Various<br>Municipal Improvement and Reconstruction of<br>Yansick Drive and Moreland Drive | (37,882.00)                           | \$ 239,000.00                 | 37,873.97     |                               | 239,000.00                    |               |             |               | (8.03)                                |
| 2009-14 /<br>2010-08 Improvements to Various Roads   |                                       | 137,000.00                    |               |                               | 137,000.00                    |               |             |               |                                       |
| 2010-11 Various Improvements   |                                       | 186,000.00                    |               |                               | 186,000.00                    |               |             |               |                                       |
| 2011-03 Purchase of Land   |                                       | 68,000.00                     |               |                               | 68,000.00                     |               |             |               |                                       |
| 2011-07 Open Space Purchase of Land  | (200,000.00)                          | 216,000.00                    |               |                               | 216,000.00                    |               | 200,000.00  |               |                                       |
| 2011-09 Improvements to Various Roads  |                                       | 131,000.00                    |               |                               | 131,000.00                    |               |             |               |                                       |
| 2011-11 Various Roadway Improvements   |                                       | 102,000.00                    |               |                               | 102,000.00                    |               |             |               |                                       |
| 2011-18 Open Space Recreational Improvements   | 73,118.25                             | 1,601,000.00                  |               |                               | 1,601,000.00                  |               |             |               | 73,118.25                             |
| 2011-20 Various Roadway Improvements   | (15,534.15)                           | 57,000.00                     | 19,813.00     |                               | 57,000.00                     |               |             |               | 4,278.85                              |

(Continued)

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
**Statement of General Capital Cash**  
**For the Year Ended December 31, 2017**

|  | Balance<br>(Deficit)<br>Dec. 31, 2016 | Receipts                      |               | Disbursements                 |                               |               | Transfers    |    | Balance<br>(Deficit)<br>Dec. 31, 2017 |
|--|---------------------------------------|-------------------------------|---------------|-------------------------------|-------------------------------|---------------|--------------|----|---------------------------------------|
|  |                                       | Bond<br>Anticipation<br>Notes | Miscellaneous | Improvement<br>Authorizations | Bond<br>Anticipation<br>Notes | Miscellaneous | From         | To |                                       |
| Improvement Authorizations (Cont'd):<br>Ordinance Number                     |                                       |                               |               |                               |                               |               |              |    |                                       |
| 2012-01 Open Space Acquisition of Real Property                              | \$ 60,500.00                          |                               |               |                               |                               |               |              |    | \$ 60,500.00                          |
| 2012-04 Various Improvements   | 85,873.11                             | \$ 699,000.00                 |               | \$ 5,774.29                   | \$ 699,000.00                 |               |              |    | 80,098.82                             |
| 2012-06 Open Space Improvements to Fields                                    | 30,000.00                             |                               |               |                               |                               |               |              |    | 30,000.00                             |
| 2012-09 Sidewalk Construction & Installation                                 | 26,790.55                             | 227,000.00                    |               |                               | 227,000.00                    |               |              |    | 26,790.55                             |
| 2012-10 Various Road Improvements  |                                       | 168,000.00                    |               |                               | 168,000.00                    |               |              |    |                                       |
| 2012-12 Open Space Upgrades to Swedes Lake Outfall                           | 87,318.50                             |                               |               |                               |                               |               |              |    | 87,318.50                             |
| 2012-13 Improvements to River Drive Outfall                                  | 5,195.00                              | 85,000.00                     |               |                               | 85,000.00                     |               |              |    | 5,195.00                              |
| 2013-09 Various Capital Improvements and Acquisition of<br>Capital Equipment | 133,565.64                            | 838,000.00                    |               | 14,706.20                     | 838,000.00                    |               |              |    | 118,859.44                            |
| 2013-12 Various Capital Improvements and Acquisition of<br>Capital Equipment |                                       | 95,000.00                     |               |                               | 95,000.00                     |               |              |    |                                       |
| 2014-08 Various Capital Improvements   | 358,598.77                            | 1,610,000.00                  |               | 5,212.50                      | 1,610,000.00                  |               | \$ 29,621.50 |    | 383,007.77                            |
| 2014-10 Reconstruction of Tenby Chase Drive                                  | (176,623.18)                          |                               |               |                               |                               |               |              |    | (176,623.18)                          |
| 2014-11 Improvements to Community Park                                       |                                       | 227,000.00                    |               |                               | 227,000.00                    |               |              |    |                                       |
| 2014-13 Construction of Sidewalks  | 248,945.00                            | 270,000.00                    |               | 212,456.40                    | 270,000.00                    | \$ 12,537.10  |              |    | 23,951.50                             |
| 2015-07 Various Capital Improvements   | (236,760.70)                          | 446,000.00                    |               |                               | 446,000.00                    |               |              |    | (236,760.70)                          |
| 2015-10 Various Roadway Improvements   | 150,159.36                            | 234,000.00                    |               | 133,970.94                    | 234,000.00                    |               |              |    | 16,188.42                             |
| 2015-11 Various Roadway Improvements   | (18,274.47)                           | 549,000.00                    |               |                               | 549,000.00                    |               |              |    | (18,274.47)                           |
| 2015-12 Hazardous Discharge Site Remediation                                 | (63,585.00)                           |                               |               |                               |                               |               | 60,705.00    |    | (2,880.00)                            |
| 2016-07 Installation of Sidewalks  | 7,964.50                              | 80,000.00                     |               | 316.54                        | 80,000.00                     |               |              |    | 7,647.96                              |
| 2016-11 Various Capital Improvements   | 312,638.40                            | 344,000.00                    |               | 139,058.15                    | 344,000.00                    | 47,865.00     |              |    | 125,715.25                            |
| 2016-12 Acquisition of Real Property   | 10,000.00                             |                               |               | 190,000.00                    |                               |               |              |    | (180,000.00)                          |

(Continued)

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
 Statement of General Capital Cash  
 For the Year Ended December 31, 2017

|  | Balance<br>(Deficit)<br><u>Dec. 31, 2016</u> | Receipts                             |                      | Disbursements                 |                                      |                        | Transfers              |                        | Balance<br>(Deficit)<br><u>Dec. 31, 2017</u> |
|--|--|--------------------------------------|----------------------|-------------------------------|--------------------------------------|------------------------|------------------------|------------------------|--|
|  |  | Bond<br>Anticipation<br><u>Notes</u> | Miscellaneous        | Improvement<br>Authorizations | Bond<br>Anticipation<br><u>Notes</u> | Miscellaneous          | From                   | To                     |  |
| Improvement Authorizations (Cont'd):   |  |                                      |                      |                               |                                      |                        |                        |                        |  |
| Ordinance Number   |  |                                      |                      |                               |                                      |                        |                        |                        |  |
| 2017-02 Reconstruction of Various Sidewalks and Roadways                         |  | \$ 1,752,000.00                      |                      | \$ 921,599.40                 |                                      | \$ 348,482.10          | \$ 88,000.00           |                        | \$ 569,918.50                                |
| 2017-06 Installation of Sidewalks on Route 130                                   |  |                                      |                      | 14,138.75                     |                                      | 28,126.25              | 178,100.00             |                        | 135,835.00                                   |
| 2017-07 Municipal Property Improvements and Acquisition of Equipment             |  | 548,000.00                           |                      | 88,351.24                     |                                      | 396,886.04             | 129,375.00             |                        | 192,137.72                                   |
| 2017-08 Acquisition and Installation of Sports Lighting at Delran Community Park |  | 45,000.00                            |                      | 5,893.50                      |                                      | 10,606.50              | 180,000.00             |                        | 208,500.00                                   |
| 2017-13 Reconstruction of Pheasant Road  |  |                                      |                      |                               |                                      |                        | 4,334.00               |                        | 4,334.00                                     |
|  | <u>\$ 3,162,421.53</u>                       | <u>\$ 10,954,000.00</u>              | <u>\$ 362,898.39</u> | <u>\$ 1,732,627.91</u>        | <u>\$ 8,609,008.03</u>               | <u>\$ 1,145,613.72</u> | <u>\$ 2,358,488.96</u> | <u>\$ 2,358,488.96</u> | <u>\$ 2,992,070.26</u>                       |

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation - Funded  
For the Year Ended December 31, 2017

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|  |                     |                               |
|--|---------------------|-------------------------------|
| Balance Dec. 31, 2016                          |                     | \$ 4,164,000.00               |
| Increased by:                                  |                     |                               |
| County Guaranteed Pooled Loan Revenue          |                     |                               |
| Bonds, Series 2017A - Open Space               |                     | <u>1,063,000.00</u>           |
|  |                     | 5,227,000.00                  |
| Decreased by:                                  |                     |                               |
| Defeased General Obligation Bonds - Open Space | \$ 1,065,000.00     |                               |
| Current Year Budget Appropriations             | <u>1,326,000.00</u> |                               |
|  |                     | <u>2,391,000.00</u>           |
| Balance Dec. 31, 2017                          |                     | <u><u>\$ 2,836,000.00</u></u> |

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
 Statement of Deferred Charges to Future Taxation -Unfunded  
 For the Year Ended December 31, 2017

| Ordinance Number         | Improvement Description  | Balance<br>Dec. 31, 2016 | 2017<br>Authorizations | Funded<br>by Budget<br>Appropriation | Funded By<br>Grants<br>Received | Balance<br>Dec. 31, 2017 | Analysis of Balance Dec. 31, 2017         |          |   |
|--------------------------|--|--------------------------|------------------------|--------------------------------------|---------------------------------|--------------------------|---|----------|---|
|                          |  |                          |                        |                                      |                                 |                          | Financed by<br>Bond Anticipation<br>Notes | Expended | Unexpended<br>Improvement<br>Authorizations |
| General Improvements:    |  |                          |                        |                                      |                                 |                          |   |          |   |
| 2000-21                  | Provide Funding for Payments Under a Regional Contribution Agreement between the Township of Delran and the City of Burlington | \$ 279,750.00            |                        |                                      |                                 | \$ 279,750.00            |   |          | \$ 279,750.00                               |
| 2009-14/<br>2010-08 & 09 | Improvements to Various Roads  | 163,400.00               |                        | \$ 26,400.00                         |                                 | 137,000.00               | \$ 137,000.00                             |          |   |
| 2010-01                  | Reconstruction of Haines Mill Road, Various Municipal Improvement and Reconstruction of Yansick Drive and Moreland Drive       | 287,168.00               |                        | 48,159.97                            |                                 | 239,008.03               | 239,000.00                                | \$ 8.03  |   |
| 2010-11                  | Various Improvements   | 194,395.26               |                        | 8,395.26                             |                                 | 186,000.00               | 186,000.00                                |          |   |
| 2011-03                  | Purchase of Land   | 69,481.00                |                        | 1,481.00                             |                                 | 68,000.00                | 68,000.00                                 |          |   |
| 2011-07                  | Open Space Purchase of Land  | 418,933.00               |                        | 202,933.00                           |                                 | 216,000.00               | 216,000.00                                |          |   |
| 2011-09                  | Improvements to Various Roads  | 135,669.59               |                        | 4,669.59                             |                                 | 131,000.00               | 131,000.00                                |          |   |
| 2011-11                  | Various Roadway Improvements   | 107,552.26               |                        | 5,552.26                             |                                 | 102,000.00               | 102,000.00                                |          |   |
| 2011-18                  | Open Space Recreational Improvements   | 1,665,266.00             |                        | 64,266.00                            |                                 | 1,601,000.00             | 1,601,000.00                              |          |   |
| 2011-20                  | Various Roadway Improvements   | 79,777.00                |                        | 22,590.00                            |                                 | 57,187.00                | 57,000.00                                 |          | 187.00                                      |
| 2012-04                  | Various Improvements   | 721,853.00               |                        | 22,853.00                            |                                 | 699,000.00               | 699,000.00                                |          |   |
| 2012-08                  | Reconstruction of Haines Mill Road   | 15,293.73                |                        | 15,293.73                            |                                 |                          |   |          |   |
| 2012-09                  | Sidewalk Construction & Installation   | 248,413.00               |                        | 21,413.00                            |                                 | 227,000.00               | 227,000.00                                |          |   |
| 2012-10                  | Reconstruction of Haines Mill Road   | 179,500.00               |                        | 11,500.00                            |                                 | 168,000.00               | 168,000.00                                |          |   |
| 2012-13                  | Improvements to River Drive Outfall  | 88,386.00                |                        | 3,386.00                             |                                 | 85,000.00                | 85,000.00                                 |          |   |
| 2013-09                  | Various Capital Improvements and Acquisition of Capital Equipment  | 894,117.00               |                        | 56,117.00                            |                                 | 838,000.00               | 838,000.00                                |          |   |

(Continued)

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of Deferred Charges to Future Taxation -Unfunded  
For the Year Ended December 31, 2017

| Ordinance Number               | Improvement Description  | Balance<br>Dec. 31, 2016 | 2017<br>Authorizations | Funded<br>by Budget<br>Appropriation | Funded By<br>Grants<br>Received | Balance<br>Dec. 31, 2017 | Analysis of Balance Dec. 31, 2017         |               |   |
|--------------------------------|--|--------------------------|------------------------|--------------------------------------|---------------------------------|--------------------------|---|---------------|---|
|                                |  |                          |                        |                                      |                                 |                          | Financed by<br>Bond Anticipation<br>Notes | Expended      | Unexpended<br>Improvement<br>Authorizations |
| General Improvements (Cont'd): |  |                          |                        |                                      |                                 |                          |   |               |   |
| 2013-12                        | Various Capital Improvements and Acquisition of Capital Equipment        | \$ 98,129.50             |                        | \$ 3,129.50                          |                                 | \$ 95,000.00             | \$ 95,000.00                              |               |   |
| 2014-08                        | Various Capital Improvements   | 1,662,500.00             |                        | 52,500.00                            |                                 | 1,610,000.00             | 1,610,000.00                              |               |   |
| 2014-10                        | Reconstruction of Tenby Chase Drive                                      | 432,250.00               |                        | 98,950.00                            |                                 | 333,300.00               |   | \$ 176,623.18 | \$ 156,676.82                               |
| 2014-11                        | Improvements to Community Park   | 235,600.00               |                        | 8,600.00                             |                                 | 227,000.00               | 227,000.00                                |               |   |
| 2014-13                        | Construction of Sidewalks  | 285,000.00               |                        | 15,000.00                            |                                 | 270,000.00               | 270,000.00                                |               |   |
| 2015-07                        | Various Capital Improvements   | 696,350.00               |                        | 350.00                               |                                 | 696,000.00               | 446,000.00                                | 236,760.70    | 13,239.30                                   |
| 2015-10                        | Various Roadway Improvements   | 234,068.00               |                        |                                      |                                 | 234,068.00               | 234,000.00                                |               | 68.00                                       |
| 2015-11                        | Various Roadway Improvements   | 809,195.10               |                        | 241,920.63                           |                                 | 567,274.47               | 549,000.00                                | 18,274.47     |   |
| 2015-12                        | Hazardous Discharge Site Remediation                                     | 63,585.00                |                        |                                      | \$ 60,705.00                    | 2,880.00                 |   | 2,880.00      |   |
| 2016-07                        | Installation of Sidewalks  | 80,000.00                |                        |                                      |                                 | 80,000.00                | 80,000.00                                 |               |   |
| 2016-11                        | Various Capital Improvements   | 344,470.00               |                        | 470.00                               |                                 | 344,000.00               | 344,000.00                                |               |   |
| 2016-12                        | Acquisition of Real Property   | 190,000.00               |                        |                                      |                                 | 190,000.00               |   | 180,000.00    | 10,000.00                                   |
| 2016-14                        | Refunding Ordinance  | 195,000.00               |                        |                                      |                                 | 195,000.00               |   |               | 195,000.00                                  |
| 2017-02                        | Reconstruction of Various Sidewalks and Roadways                         |                          | \$ 1,752,000.00        |                                      |                                 | 1,752,000.00             | 1,752,000.00                              |               |   |
| 2017-06                        | Installation of Sidewalks on Route 130                                   |                          | 41,900.00              |                                      |                                 | 41,900.00                |   |               | 41,900.00                                   |
| 2017-07                        | Municipal Property Improvements and Acquisition of Equipment             |                          | 2,458,125.00           |                                      |                                 | 2,458,125.00             | 548,000.00                                |               | 1,910,125.00                                |
| 2017-08                        | Acquisition and Installation of Sports Lighting at Delran Community Park |                          | 45,000.00              |                                      |                                 | 45,000.00                | 45,000.00                                 |               |   |
| 2017-13                        | Reconstruction of Pheasant Road  |                          | 86,666.00              |                                      |                                 | 86,666.00                |   |               | 86,666.00                                   |
| Total (Carried Forward)        |  | \$ 10,875,102.44         | \$ 4,383,691.00        | \$ 935,929.94                        | \$ 60,705.00                    | \$ 14,262,158.50         | \$ 10,954,000.00                          | \$ 614,546.38 | \$ 2,693,612.12                             |

(Continued)

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
 Statement of Deferred Charges to Future Taxation -Unfunded  
 For the Year Ended December 31, 2017

| Ordinance<br>Number  | Improvement Description | Balance<br>Dec. 31, 2016 | 2017<br>Authorizations | Funded<br>by Budget<br>Appropriation | Funded By<br>Grants<br>Received | Balance<br>Dec. 31, 2017 | Analysis of Balance Dec. 31, 2017         |                  |   |
|--|-------------------------|--------------------------|------------------------|--------------------------------------|---------------------------------|--------------------------|---|------------------|---|
|  |                         |                          |                        |                                      |                                 |                          | Financed by<br>Bond Anticipation<br>Notes | Expended         | Unexpended<br>Improvement<br>Authorizations |
| Total (Brought Forward)                                      |                         | \$ 10,875,102.44         | \$ 4,383,691.00        | \$ 935,929.94                        | \$ 60,705.00                    | \$ 14,262,158.50         | \$ 10,954,000.00                          | \$ 614,546.38    | \$ 2,693,612.12                             |
| Paid by Current Fund Budget Appropriation                    |                         |                          |                        | \$ 735,929.94                        |                                 |                          |   |                  |   |
| Paid by Trust - Open Space Budget Appropriation              |                         |                          |                        | <u>200,000.00</u>                    |                                 |                          |   |                  |   |
|  |                         |                          |                        | <u>\$ 935,929.94</u>                 |                                 |                          |   |                  |   |
| Improvement Authorizations - Unfunded                        |                         |                          |                        |                                      |                                 |                          |   |                  | \$ 4,365,520.15                             |
| Less: Unexpended Proceeds of Bond Anticipation Notes Issued: |                         |                          |                        |                                      |                                 |                          |   |                  |   |
| Ord. 2011-18   |                         |                          |                        |                                      |                                 |                          | \$  | 73,118.25        |   |
| Ord. 2011-20   |                         |                          |                        |                                      |                                 |                          |   | 4,278.85         |   |
| Ord. 2012-4  |                         |                          |                        |                                      |                                 |                          |   | 80,098.82        |   |
| Ord. 2012-9  |                         |                          |                        |                                      |                                 |                          |   | 26,790.55        |   |
| Ord. 2012-13   |                         |                          |                        |                                      |                                 |                          |   | 5,195.00         |   |
| Ord. 2013-9  |                         |                          |                        |                                      |                                 |                          |   | 118,859.44       |   |
| Ord. 2014-8  |                         |                          |                        |                                      |                                 |                          |   | 383,007.77       |   |
| Ord. 2014-13   |                         |                          |                        |                                      |                                 |                          |   | 23,951.50        |   |
| Ord. 2015-10   |                         |                          |                        |                                      |                                 |                          |   | 16,188.42        |   |
| Ord. 2016-7  |                         |                          |                        |                                      |                                 |                          |   | 7,647.96         |   |
| Ord. 2016-11   |                         |                          |                        |                                      |                                 |                          |   | 125,715.25       |   |
| Ord. 2017-2  |                         |                          |                        |                                      |                                 |                          |   | 569,918.50       |   |
| Ord. 2017-7  |                         |                          |                        |                                      |                                 |                          |   | 192,137.72       |   |
| Ord. 2017-8  |                         |                          |                        |                                      |                                 |                          |   | <u>45,000.00</u> |   |
|  |                         |                          |                        |                                      |                                 |                          |   |                  | <u>1,671,908.03</u>                         |
|  |                         |                          |                        |                                      |                                 |                          |   |                  | <u>\$ 2,693,612.12</u>                      |



**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of Capital Improvement Fund  
For the Year Ended December 31, 2017

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|  |                            |
|--|----------------------------|
| Balance Dec. 31, 2016                              | \$ 168,102.32              |
| Increased by:                                      |                            |
| Current Year Budget Appropriation:                 |                            |
| Current Fund                                       | <u>150,000.00</u>          |
|  | 318,102.32                 |
| Decreased by:                                      |                            |
| Appropriated to Finance Improvement Authorizations | <u>223,809.00</u>          |
| Balance Dec. 31, 2017                              | <u><u>\$ 94,293.32</u></u> |

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of Reserve for Payment of Bonds and Notes  
For the Year Ended December 31, 2017

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|  |                             |
|--|-----------------------------|
| Balance Dec. 31, 2016                                      | \$ 657,466.96               |
| Increased by:  |                             |
| Grants Received by Federal, State and Local Grant Fund     | \$ 305,535.50               |
| BAN Premium  | <u>145,025.51</u>           |
|  | <u>450,561.01</u>           |
|  | 1,108,027.97                |
| Decreased by:  |                             |
| Due to Current Fund - Anticipated as Miscellaneous Revenue | <u>313,950.00</u>           |
| Balance Dec. 31, 2017                                      | <u><u>\$ 794,077.97</u></u> |

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
 Schedule of Reserve for Preliminary Expenses  
 As of December 31, 2017

Analysis of Balance--Dec. 31, 2017

|                                |    |          |
|--------------------------------|----|----------|
| Road Construction--Engineering | \$ | 794.22   |
| Building--Legal                |    | 455.72   |
|                                |    | 455.72   |
|                                | \$ | 1,249.94 |

## Exhibit SC-8

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
 Statement of Due From/To Other Funds  
 For the Year Ended December 31, 2017

|   | <u>Open Space</u> | <u>Current Fund</u> | <u>Federal, State and<br/>Local Grant Fund</u> |
|---|-------------------|---------------------|--|
| Balance Dec. 31, 2016--Due (To)   | \$ -              | \$ (490.55)         | \$ (13,930.20)                                 |
| Increased by:   |                   |                     |  |
| Receipts:   |                   |                     |  |
| Interest on Investments--Due Current Fund   |                   | (10,185.91)         |  |
| Trust - Open Space Budget Appropriation   | 200,000.00        |                     |  |
| Miscellaneous Revenue Anticipated in Current Fund--<br>Reserve for Payment of Bonds and Notes |                   | (313,950.00)        |  |
|   | 200,000.00        | (324,626.46)        | (13,930.20)                                    |
| Decreased by:   |                   |                     |  |
| Disbursements:  |                   |                     |  |
| Interfund Returned  |                   | 8,369.40            |  |
| Grants Charged in Federal, State and Local Grant Fund   |                   |                     | 82,944.97                                      |
| Grants Received in Federal, State and Local Grant Fund  |                   |                     | 307,660.50                                     |
|   | -                 | 8,369.40            | 390,605.47                                     |
| Balance Dec. 31, 2017--Due (To) From  | \$ 200,000.00     | \$ (316,257.06)     | \$ 376,675.27                                  |

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2017

| Ordinance<br>Number   | Improvement Description  | Date     | Balance<br>Dec. 31, 2016 |              | 2017<br>Authorizations | Expended    | Prior Year<br>Encumbrance<br>Canceled | Balance<br>Dec. 31, 2017 |               |
|-----------------------|--|----------|--------------------------|--------------|------------------------|-------------|---------------------------------------|--------------------------|---------------|
|                       |  |          | Ordinance<br>Amount      | Funded       |                        |             |                                       | Unfunded                 | Funded        |
| General Improvements: |  |          |                          |              |                        |             |                                       |                          |               |
| 2000-21               | Provide Funding for Payments Under a Regional Contribution Agreement between the Township of Delran and the City of Burlington | 11-28-00 | \$ 1,140,000.00          |              |                        |             |                                       | \$ 279,750.00            | \$ 279,750.00 |
| 2008-15               | Acquisition of Property  | 12-29-08 | 2,000,000.00             | \$ 88,413.86 |                        | \$ 1,150.00 |                                       | \$ 87,263.86             |               |
| 2009-19               | Acquisition of Various Equipment   | 10-27-09 | 130,000.00               | 370.00       |                        |             |                                       | 370.00                   |               |
| 2011-18               | Open Space Recreational Improvements   | 7-26-11  | 2,200,000.00             |              |                        |             |                                       | 73,118.25                | 73,118.25     |
| 2011-20               | Various Roadway Improvements   | 10-25-11 | 70,000.00                |              |                        |             |                                       | 4,465.85                 | 4,465.85      |
| 2012-01               | Open Space Acquisition of Real Property  | 1-24-12  | 65,000.00                | 60,500.00    |                        |             |                                       | 60,500.00                |               |
| 2012-04               | Various Improvements   | 6-26-12  | 1,000,000.00             |              |                        | 5,774.29    |                                       | 85,873.11                | 80,098.82     |
| 2012-06               | Open Space Improvements to Fields  | 7-24-12  | 30,000.00                | 30,000.00    |                        |             |                                       | 30,000.00                |               |
| 2012-09               | Sidewalk Construction & Installation   | 8-28-12  | 200,000.00               |              |                        |             |                                       | 26,790.55                | 26,790.55     |
| 2012-12               | Open Space Upgrades to Swedes Lake Outfall   | 9-25-12  | 88,000.00                | 87,318.50    |                        |             |                                       | 87,318.50                |               |
| 2012-13               | Improvements to River Drive Outfall  | 9-25-12  | 98,000.00                |              |                        |             |                                       | 5,195.00                 | 5,195.00      |
| 2013-09               | Various Capital Improvements and Acquisition of Capital Equipment  | 5-28-13  | 1,000,000.00             |              |                        | 14,706.20   |                                       | 133,565.64               | 118,859.44    |
| 2014-08               | Various Capital Improvements   | 6-10-14  | 1,750,000.00             |              |                        | 5,212.50    | \$ 29,621.50                          | 358,598.77               | 383,007.77    |
| 2014-10               | Reconstruction of Tenby Chase Drive  | 7-1-14   | 455,250.00               |              |                        |             |                                       | 156,676.82               | 156,676.82    |
| 2014-13               | Construction of Sidewalks  | 9-2-14   | 300,000.00               |              |                        | 224,993.50  |                                       | 248,945.00               | 23,951.50     |
| 2015-07               | Various Capital Improvements   | 6-2-15   | 733,000.00               |              |                        |             |                                       | 13,239.30                | 13,239.30     |

(Continued)

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2017

| Ordinance<br>Number                             | Improvement Description  | Date     | Balance<br>Dec. 31, 2016 |                      | 2017<br>Authorizations | Expended               | Prior Year<br>Encumbrance<br>Canceled | Balance<br>Dec. 31, 2017 |                      |                        |
|---|--|----------|--------------------------|----------------------|------------------------|------------------------|---------------------------------------|--------------------------|----------------------|------------------------|
|   |  |          | Ordinance<br>Amount      | Funded               |                        |                        |                                       | Unfunded                 | Funded               | Unfunded               |
| General Improvements (Cont'd):                  |  |          |                          |                      |                        |                        |                                       |                          |                      |                        |
| 2015-10   | Various Roadway Improvements   | 10-6-15  | \$ 246,388.00            |                      |                        | \$ 133,970.94          |                                       | \$ 16,256.42             |                      |                        |
| 2016-07   | Installation of Sidewalks  | 6-14-16  | 80,000.00                |                      |                        | 316.54                 |                                       | 7,647.96                 |                      |                        |
| 2016-11   | Various Capital Improvements   | 9-6-16   | 362,600.00               |                      |                        | 186,923.15             |                                       | 125,715.25               |                      |                        |
| 2016-12   | Acquisition of Real Property   | 10-25-16 | 200,000.00               | \$ 10,000.00         |                        | 190,000.00             |                                       | 10,000.00                |                      |                        |
| 2016-14   | Refunding Ordinance  | 12-13-16 | 195,000.00               |                      |                        |                        |                                       | 195,000.00               |                      |                        |
| 2017-02   | Reconstruction of Various Sidewalks and Roadways                         | 2/14/17  | 1,840,000.00             |                      | \$ 1,840,000.00        | 1,270,081.50           |                                       | 569,918.50               |                      |                        |
| 2017-06   | Installation of Sidewalks on Route 130                                   | 6/13/17  | 220,000.00               |                      | 220,000.00             | 42,265.00              |                                       | \$ 135,835.00            | 41,900.00            |                        |
| 2017-07   | Municipal Property Improvements and Acquisition of Equipment             | 7/11/17  | 2,587,500.00             |                      | 2,587,500.00           | 485,237.28             |                                       |                          | 2,102,262.72         |                        |
| 2017-08   | Acquisition and Installation of Sports Lighting at Delran Community Park | 7/11/17  | 225,000.00               |                      | 225,000.00             | 16,500.00              |                                       | 163,500.00               | 45,000.00            |                        |
| 2017-13   | Reconstruction of Pheasant Road  | 12/5/17  | 91,000.00                |                      | 91,000.00              |                        |                                       | 4,334.00                 | 86,666.00            |                        |
|   |  |          |                          | <u>\$ 276,602.36</u> | <u>\$ 2,242,048.55</u> | <u>\$ 4,963,500.00</u> | <u>\$ 2,577,130.90</u>                | <u>\$ 29,621.50</u>      | <u>\$ 569,121.36</u> | <u>\$ 4,365,520.15</u> |
| Deferred Charges to Future Taxation -- Unfunded |  |          |                          |                      |                        | \$ 4,383,691.00        |                                       |                          |                      |                        |
| Funded by Grant                                 |  |          |                          |                      |                        | 356,000.00             |                                       |                          |                      |                        |
| Capital Improvement Fund                        |  |          |                          |                      |                        | 223,809.00             |                                       |                          |                      |                        |
|   |  |          |                          |                      |                        | <u>\$ 4,963,500.00</u> |                                       |                          |                      |                        |
| Cash Disbursed                                  |  |          |                          |                      |                        | \$ 1,732,627.91        |                                       |                          |                      |                        |
| Encumbrances/Contracts Payable                  |  |          |                          |                      |                        | 844,502.99             |                                       |                          |                      |                        |
|   |  |          |                          |                      |                        | <u>\$ 2,577,130.90</u> |                                       |                          |                      |                        |

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of Encumbrances/Contracts Payable  
For the Year Ended December 31, 2017

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|                                   |                |    |              |
|-----------------------------------|----------------|----|--------------|
| Balance Dec. 31, 2016             |                | \$ | 1,270,360.13 |
| Increased by:                     |                |    |              |
| 2017 Contracts                    |                |    | 844,502.99   |
|                                   |                |    | 2,114,863.12 |
| Decreased by:                     |                |    |              |
| Disbursed                         | \$1,137,244.32 |    |              |
| Cancelled Prior Year Encumbrances | 29,621.50      |    |              |
|                                   |                |    | 1,166,865.82 |
| Balance Dec. 31, 2017             |                | \$ | 947,997.30   |

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of General Serial Bonds  
For the Year Ended December 31, 2017

| <u>Purpose</u>   | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Date</u> | <u>Amount</u>       | <u>Interest Rate</u> | <u>Balance Dec. 31, 2016</u> | <u>Increased</u>       | <u>Decreased</u>       | <u>Balance Dec. 31, 2017</u> |
|--|----------------------|-----------------------|-------------|---------------------|----------------------|------------------------------|------------------------|------------------------|------------------------------|
| General Obligation Bonds   | 8-15-09              | \$ 4,056,000.00       | 8-15-18     | \$ 996,000.00       | 4.00%                | \$ 1,948,000.00              |                        | \$ 952,000.00          | \$ 996,000.00                |
| General Obligation Bonds - Open Space  | 8-15-09              | 1,829,000.00          | 8-15-18     | 84,000.00           | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 8-15-19     | 86,000.00           | 5.00%                |                              |                        |                        |                              |
|  |                      |                       |             | <u>170,000.00</u>   |                      | 1,316,000.00                 |                        | 1,146,000.00           | 170,000.00                   |
| General Obligation Refunding   | 11-3-09              | 4,215,000.00          | 1-1-18      | 290,000.00          | 4.50%                |                              |                        |                        |                              |
|  |                      |                       | 1-1-19      | 20,000.00           | 3.50%                |                              |                        |                        |                              |
|  |                      |                       | 1-1-19      | 300,000.00          | 4.00%                |                              |                        |                        |                              |
|  |                      |                       |             | <u>610,000.00</u>   |                      | 900,000.00                   |                        | 290,000.00             | 610,000.00                   |
| County Guaranteed Pooled Loan Revenue Refunding Bonds, Series 2017A - Open Space | 3/28/17              | 1,063,000.00          | 7-15-18     | 2,000.00            | 3.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-19     | 1,000.00            | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 1-15-20     | 49,000.00           | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-20     | 43,000.00           | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-21     | 94,000.00           | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-22     | 97,000.00           | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-23     | 101,000.00          | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-24     | 98,000.00           | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-25     | 105,000.00          | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 1-15-26     | 60,000.00           | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-26     | 54,000.00           | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-27     | 111,000.00          | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-28     | 120,000.00          | 4.00%                |                              |                        |                        |                              |
|  |                      |                       | 7-15-29     | 125,000.00          | 4.00%                |                              |                        |                        |                              |
|  |                      |                       |             | <u>1,060,000.00</u> |                      |                              | \$ 1,063,000.00        | 3,000.00               | 1,060,000.00                 |
|  |                      |                       |             |                     |                      | <u>\$ 4,164,000.00</u>       | <u>\$ 1,063,000.00</u> | <u>\$ 2,391,000.00</u> | <u>\$ 2,836,000.00</u>       |
| Budget Appropriation - Current Fund  |                      |                       |             |                     |                      |                              |                        | \$ 1,242,000.00        |                              |
| Budget Appropriation - Open Space Trust Fund                                     |                      |                       |             |                     |                      |                              |                        | 84,000.00              |                              |
| Defeased   |                      |                       |             |                     |                      |                              |                        | <u>1,065,000.00</u>    |                              |
|  |                      |                       |             |                     |                      |                              |                        | <u>\$ 2,391,000.00</u> |                              |

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2017

| Ordinance<br>Number  | Improvement Description   | Date of Issue       |                  | Interest<br>Rate | Balance<br>Dec. 31, 2016 | Issued        | Paid          | Balance<br>Dec. 31, 2017 |
|----------------------|---|---------------------|------------------|------------------|--------------------------|---------------|---------------|--------------------------|
|                      |   | of Original<br>Note | Date of<br>Issue |                  |                          |               |               |                          |
| 2009-14 /<br>2010-08 | Improvements to Various Roads   | 12/22/10            | 11/2/16          | 11/1/17          | 1.07%                    | \$ 163,400.00 |               | \$ 163,400.00            |
|                      |   | 12/22/10            | 10/30/17         | 10/29/18         | 2.50%                    |               | \$ 137,000.00 | \$ 137,000.00            |
| 2010-01              | Reconstruction of Haines Mill Road,<br>Various Municipal Improvement and<br>Reconstruction of Yansick Drive and<br>Moreland Drive | 12/22/10            | 11/2/16          | 11/1/17          | 1.07%                    | 249,286.00    |               | 249,286.00               |
|                      |   | 12/22/10            | 10/30/17         | 10/29/18         | 2.50%                    |               | 239,000.00    | 239,000.00               |
| 2010-11              | Various Improvements  | 12/22/10            | 11/2/16          | 11/1/17          | 1.07%                    | 194,395.26    |               | 194,395.26               |
|                      |   | 12/22/10            | 10/30/17         | 10/29/18         | 2.50%                    |               | 186,000.00    | 186,000.00               |
| 2011-03              | Purchase of Land  | 11/14/11            | 11/2/16          | 11/1/17          | 1.07%                    | 69,481.00     |               | 69,481.00                |
|                      |   | 11/14/11            | 10/30/17         | 10/29/18         | 2.50%                    |               | 68,000.00     | 68,000.00                |
| 2011-07              | Open Space Purchase of Land   | 11/14/11            | 11/2/16          | 11/1/17          | 1.07%                    | 218,933.00    |               | 218,933.00               |
|                      |   | 11/14/11            | 10/30/17         | 10/29/18         | 2.50%                    |               | 216,000.00    | 216,000.00               |
| 2011-09              | Improvements to Various Roads   | 11/14/11            | 11/2/16          | 11/1/17          | 1.07%                    | 135,669.59    |               | 135,669.59               |
|                      |   | 11/14/11            | 10/30/17         | 10/29/18         | 2.50%                    |               | 131,000.00    | 131,000.00               |
| 2011-11              | Improvements to Various Roads   | 11/14/11            | 11/2/16          | 11/1/17          | 1.07%                    | 107,552.26    |               | 107,552.26               |
|                      |   | 11/14/11            | 10/30/17         | 10/29/18         | 2.50%                    |               | 102,000.00    | 102,000.00               |
| 2011-18              | Open Space Improvements   | 11/14/11            | 11/2/16          | 11/1/17          | 1.07%                    | 1,665,266.00  |               | 1,665,266.00             |
|                      |   | 11/14/11            | 10/30/17         | 10/29/18         | 2.50%                    |               | 1,601,000.00  | 1,601,000.00             |
| 2011-20              | Various Road Improvements   | 11/13/12            | 11/2/16          | 11/1/17          | 1.07%                    | 59,777.00     |               | 59,777.00                |
|                      |   | 11/13/12            | 10/30/17         | 10/29/18         | 2.50%                    |               | 57,000.00     | 57,000.00                |
| 2012-04              | Various Improvements  | 11/13/12            | 11/2/16          | 11/1/17          | 1.07%                    | 721,853.00    |               | 721,853.00               |
|                      |   | 11/13/12            | 10/30/17         | 10/29/18         | 2.50%                    |               | 699,000.00    | 699,000.00               |

(Continued)

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of Bond Anticipation Notes  
For the Year Ended December 31, 2017

| Ordinance<br>Number | Improvement Description  | Date of Issue       |                  | Date of<br>Maturity | Interest<br>Rate | Balance<br>Dec. 31, 2016 | Issued        | Paid         | Balance<br>Dec. 31, 2017 |
|---------------------|--|---------------------|------------------|---------------------|------------------|--------------------------|---------------|--------------|--------------------------|
|                     |  | of Original<br>Note | Date of<br>Issue |                     |                  |                          |               |              |                          |
| 2012-08             | Various Road Improvements  | 11/13/12            | 11/2/16          | 11/1/17             | 1.07%            | \$ 15,301.76             |               | \$ 15,301.76 |                          |
| 2012-09             | Various Road Improvements  | 11/13/12            | 11/2/16          | 11/1/17             | 1.07%            | 248,413.00               |               | 248,413.00   |                          |
|                     |  | 11/13/12            | 10/30/17         | 10/29/18            | 2.50%            |                          | \$ 227,000.00 |              | \$ 227,000.00            |
| 2012-10             | Various Road Improvements  | 11/13/12            | 11/2/16          | 11/1/17             | 1.07%            | 179,500.00               |               | 179,500.00   |                          |
|                     |  | 11/13/12            | 10/30/17         | 10/29/18            | 2.50%            |                          | 168,000.00    |              | 168,000.00               |
| 2012-13             | Various Road Improvements  | 11/13/12            | 11/2/16          | 11/1/17             | 1.07%            | 88,386.00                |               | 88,386.00    |                          |
|                     |  | 11/13/12            | 10/30/17         | 10/29/18            | 2.50%            |                          | 85,000.00     |              | 85,000.00                |
| 2013-09             | Acquisition of Various Equipment                                     | 11/8/13             | 11/2/16          | 11/1/17             | 1.07%            | 894,117.00               |               | 894,117.00   |                          |
|                     |  | 11/8/13             | 10/30/17         | 10/29/18            | 2.50%            |                          | 838,000.00    |              | 838,000.00               |
| 2013-12             | Various Capital Improvements and<br>Acquisition of Capital Equipment | 11/8/13             | 11/2/16          | 11/1/17             | 1.07%            | 98,129.50                |               | 98,129.50    |                          |
|                     |  | 11/8/13             | 10/30/17         | 10/29/18            | 2.50%            |                          | 95,000.00     |              | 95,000.00                |
| 2014-08             | Various Capital Improvements   | 12/23/14            | 11/2/16          | 11/1/17             | 1.07%            | 868,700.00               |               | 868,700.00   |                          |
|                     |  | 11/4/15             | 11/2/16          | 11/1/17             | 1.07%            | 793,800.00               |               | 793,800.00   |                          |
|                     |  | 12/23/14            | 10/30/17         | 10/29/18            | 2.50%            |                          | 817,000.00    |              | 817,000.00               |
|                     |  | 11/4/15             | 10/30/17         | 10/29/18            | 2.50%            |                          | 793,000.00    |              | 793,000.00               |
| 2014-10             | Reconstruction Tenby Chase Drive                                     | 12/23/14            | 11/2/16          | 11/1/17             | 1.07%            | 22,750.00                |               | 22,750.00    |                          |
|                     |  | 11/4/15             | 11/2/16          | 11/1/17             | 1.07%            | 76,200.00                |               | 76,200.00    |                          |
| 2014-11             | Improvements to Community Park                                       | 12/23/14            | 11/2/16          | 11/1/17             | 1.07%            | 235,600.00               |               | 235,600.00   |                          |
|                     |  | 12/23/14            | 10/30/17         | 10/29/18            | 2.50%            |                          | 227,000.00    |              | 227,000.00               |
| 2014-13             | Construction of Sidewalks  | 12/23/14            | 11/2/16          | 11/1/17             | 1.07%            | 285,000.00               |               | 285,000.00   |                          |
|                     |  | 12/23/14            | 10/30/17         | 10/29/18            | 2.50%            |                          | 270,000.00    |              | 270,000.00               |

(Continued)



**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
 Statement of Bond Anticipation Notes  
 For the Year Ended December 31, 2017

| Ordinance<br>Number               | Improvement Description  | Date of Issue       |                  |                     | Interest<br>Rate | Balance<br>Dec. 31, 2016 | Issued                  | Paid                   | Balance<br>Dec. 31, 2017 |
|-----------------------------------|--|---------------------|------------------|---------------------|------------------|--------------------------|-------------------------|------------------------|--------------------------|
|                                   |  | of Original<br>Note | Date of<br>Issue | Date of<br>Maturity |                  |                          |                         |                        |                          |
| 2015-07                           | Various Capital Improvements   | 11/4/15             | 11/2/16          | 11/1/17             | 1.07%            | \$ 446,350.00            |                         | \$ 446,350.00          |                          |
|                                   |  | 11/4/15             | 10/30/17         | 10/29/18            | 2.50%            |                          | \$ 446,000.00           |                        | \$ 446,000.00            |
| 2015-10                           | Various Roadway Improvements   | 11/4/15             | 11/2/16          | 11/1/17             | 1.07%            | 234,000.00               |                         | 234,000.00             |                          |
|                                   |  | 11/4/15             | 10/30/17         | 10/29/18            | 2.50%            |                          | 234,000.00              |                        | 234,000.00               |
| 2015-11                           | Various Roadway Improvements   | 11/4/15             | 11/2/16          | 11/1/17             | 1.07%            | 790,920.63               |                         | 790,920.63             |                          |
|                                   |  | 11/4/15             | 10/30/17         | 10/29/18            | 2.50%            |                          | 549,000.00              |                        | 549,000.00               |
| 2016-07                           | Installation of Sidewalks  | 11/2/16             | 11/2/16          | 11/1/17             | 1.07%            | 80,000.00                |                         | 80,000.00              |                          |
|                                   |  | 11/2/16             | 10/30/17         | 10/29/18            | 2.50%            |                          | 80,000.00               |                        | 80,000.00                |
| 2016-11                           | Various Capital Improvements   | 11/2/16             | 11/2/16          | 11/1/17             | 1.07%            | 344,470.00               |                         | 344,470.00             |                          |
|                                   |  | 11/2/16             | 10/30/17         | 10/29/18            | 2.50%            |                          | 344,000.00              |                        | 344,000.00               |
| 2017-02                           | Reconstruction of Various Sidewalks and Roadways                         | 10/30/17            | 10/30/17         | 10/29/18            | 2.50%            |                          | 1,752,000.00            |                        | 1,752,000.00             |
| 2017-07                           | Municipal Property Improvements and Acquisition of Equipment             | 10/30/17            | 10/30/17         | 10/29/18            | 2.50%            |                          | 548,000.00              |                        | 548,000.00               |
| 2017-08                           | Acquisition and Installation of Sports Lighting at Delran Community Park | 10/30/17            | 10/30/17         | 10/29/18            | 2.50%            |                          | 45,000.00               |                        | 45,000.00                |
|                                   |  |                     |                  |                     |                  | <u>\$ 9,287,251.00</u>   | <u>\$ 10,954,000.00</u> | <u>\$ 9,287,251.00</u> | <u>\$ 10,954,000.00</u>  |
| Renewals                          |  |                     |                  |                     |                  |                          | \$ 8,609,000.00         | \$ 8,609,000.00        |                          |
| Current Fund Budget Appropriation |  |                     |                  |                     |                  |                          |                         | 608,762.97             |                          |
| Open Space Budget Appropriation   |  |                     |                  |                     |                  |                          |                         | 69,480.00              |                          |
| Paid by Capital Cash              |  |                     |                  |                     |                  |                          |                         | 8.03                   |                          |
| Issued for Cash                   |  |                     |                  |                     |                  |                          | 2,345,000.00            |                        |                          |
|                                   |  |                     |                  |                     |                  |                          | <u>\$ 10,954,000.00</u> | <u>\$ 9,287,251.00</u> |                          |

**TOWNSHIP OF DELRAN**  
**GENERAL CAPITAL FUND**  
Statement of Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2017

| Ordinance<br>Number | Improvement Description  | Balance<br>Dec. 31, 2016 | 2017<br>Authorizations | Bond<br>Anticipation<br>Notes Issued<br>and Redeemed | Funded by<br>Budget<br>Appropriation | Funded by<br>Grants<br>Received | Balance<br>Dec. 31, 2017 |
|---------------------|--|--------------------------|------------------------|--|--------------------------------------|---------------------------------|--------------------------|
| 2000-21             | Provide Funding for Payments Under a Regional Contribution Agreement between the Township of Delran and the City of Burlington | \$ 279,750.00            |                        |  |                                      |                                 | \$ 279,750.00            |
| 2010-01             | Reconstruction of Haines Mill Road, Various Municipal Improvement and Reconstruction of Yansick Drive and Moreland Drive       | 37,882.00                |                        |  | \$ 37,873.97                         |                                 | 8.03                     |
| 2011-07             | Open Space Purchase of Land  | 200,000.00               |                        |  | 200,000.00                           |                                 |                          |
| 2011-20             | Improvements to Various Roads  | 20,000.00                |                        |  | 19,813.00                            |                                 | 187.00                   |
| 2014-10             | Reconstruction Tenby Chase Drive   | 333,300.00               |                        |  |                                      |                                 | 333,300.00               |
| 2015-07             | Various Capital Improvements   | 250,000.00               |                        |  |                                      |                                 | 250,000.00               |
| 2015-10             | Various Roadway Improvements   | 68.00                    |                        |  |                                      |                                 | 68.00                    |
| 2015-11             | Various Roadway Improvements   | 18,274.47                |                        |  |                                      |                                 | 18,274.47                |
| 2015-12             | Hazardous Discharge Site Remediation   | 63,585.00                |                        |  |                                      | \$ 60,705.00                    | 2,880.00                 |
| 2016-12             | Acquisition of Real Property   | 190,000.00               |                        |  |                                      |                                 | 190,000.00               |
| 2016-14             | Refunding Ordinance  | 195,000.00               |                        |  |                                      |                                 | 195,000.00               |
| 2017-02             | Reconstruction of Various Sidewalks and Roadways   |                          | \$1,752,000.00         | \$ 1,752,000.00                                      |                                      |                                 |                          |
| 2017-06             | Installation of Sidewalks on Route 130   |                          | 41,900.00              |  |                                      |                                 | 41,900.00                |
| 2017-07             | Municipal Property Improvements and Acquisition of Equipment   |                          | 2,458,125.00           | 548,000.00   |                                      |                                 | 1,910,125.00             |
| 2017-08             | Acquisition and Installation of Sports Lighting at Delran Community Park   |                          | 45,000.00              | 45,000.00  |                                      |                                 |                          |
| 2017-13             | Reconstruction of Pheasant Road  |                          | 86,666.00              |  |                                      |                                 | 86,666.00                |
|                     |  | <u>\$ 1,587,859.47</u>   | <u>\$ 4,383,691.00</u> | <u>\$ 2,345,000.00</u>                               | <u>\$ 257,686.97</u>                 | <u>\$ 60,705.00</u>             | <u>\$ 3,308,158.50</u>   |
|                     | Bond Anticipation Notes Issued   |                          |                        | \$ 10,954,000.00                                     |                                      |                                 |                          |
|                     | Bond Anticipation Notes Redeemed   |                          |                        | <u>8,609,000.00</u>                                  |                                      |                                 |                          |
|                     |  |                          |                        | <u>\$ 2,345,000.00</u>                               |                                      |                                 |                          |
|                     | Funded by Current Fund Budget Appropriation  |                          |                        |  | \$ 57,686.97                         |                                 |                          |
|                     | Funded by Trust - Open Space Budget Appropriation  |                          |                        |  | <u>200,000.00</u>                    |                                 |                          |
|                     |  |                          |                        |  | <u>\$ 257,686.97</u>                 |                                 |                          |

**SUPPLEMENTAL EXHIBITS**

**SEWER UTILITY FUND**

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY FUND**  
Statement of Sewer Utility Cash  
Per N.J.S. 40A:5-5--Sewer Treasurer  
For the Year Ended December 31, 2017

|                                       | <u>Operating</u>              | <u>Capital</u>                |
|---------------------------------------|-------------------------------|-------------------------------|
| Balance Dec. 31, 2016                 | \$ 5,408,148.62               | \$ 971,808.18                 |
| Increased by Receipts:                |                               |                               |
| Sewer Collector                       | \$ 3,984,219.88               |                               |
| Developer's Escrow Deposits           | 6,581.75                      |                               |
| Prepaid Connection Fees               | 140,189.60                    |                               |
| Bond Anticipation Notes               |                               | \$ 640,000.00                 |
| Due from Sewer Utility Operating Fund |                               | 4,076.69                      |
|                                       | <u>4,130,991.23</u>           | <u>644,076.69</u>             |
|                                       | 9,539,139.85                  | 1,615,884.87                  |
| Decreased by Disbursements:           |                               |                               |
| 2017 Budget Appropriations            | 1,695,090.40                  |                               |
| 2016 Appropriation Reserves           | 267,964.49                    |                               |
| Developer's Escrow Deposits           | 29,127.25                     |                               |
| Interest on Bonds                     | 16,981.26                     |                               |
| Due to Current Fund                   | 792,538.94                    |                               |
| Contracts Payable and Encumbrances    |                               | 131,143.75                    |
| Improvement Authorizations            |                               | 479,162.79                    |
|                                       | <u>2,801,702.34</u>           | <u>610,306.54</u>             |
| Balance Dec. 31, 2017                 | <u><u>\$ 6,737,437.51</u></u> | <u><u>\$ 1,005,578.33</u></u> |

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY FUND**  
Statement of Sewer Utility Cash  
Per N.J.S. 40A:5-5--Sewer Collector  
For the Year Ended December 31, 2017

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## Receipts:

|                                   |                  |
|-----------------------------------|------------------|
| Consumer Accounts Receivable      | \$ 3,862,630.47  |
| Prepayments                       | 29,855.25        |
| Interest on Delinquent Accounts   | 62,639.95        |
| Miscellaneous Revenue Anticipated | <u>29,094.21</u> |

3,984,219.88

## Decreased by:

|                       |                               |
|-----------------------|-------------------------------|
| Payments to Treasurer | <u><u>\$ 3,984,219.88</u></u> |
|-----------------------|-------------------------------|

All funds are deposited directly to the Treasurer's bank account.

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY CAPITAL FUND**  
 Analysis of Sewer Utility Capital Cash  
 For the Year Ended December 31, 2017

|  | Ordinance<br>Number  | Balance<br>(Deficit)<br>Dec. 31, 2016 | Receipts                      |                    | Disbursements        |                              | Transfers              |                        | Balance<br>(Deficit)<br>Dec. 31, 2017 |
|--|----------------------|---------------------------------------|-------------------------------|--------------------|----------------------|------------------------------|------------------------|------------------------|---------------------------------------|
|  |                      |                                       | Bond<br>Anticipation<br>Notes | Miscellaneous      | Miscellaneous        | Improvement<br>Authorization | From                   | To                     |                                       |
| Capital Improvement Fund                           |                      | \$ 325,000.00                         |                               |                    |                      |                              |                        |                        | \$ 325,000.00                         |
| Fund Balance                                       |                      | 10,083.70                             |                               |                    |                      |                              |                        |                        | 10,083.70                             |
| NJEIT Loans Receivable                             |                      | (40,662.00)                           |                               |                    |                      |                              |                        | \$ 28,490.63           | (12,171.37)                           |
| Due To (From) Sewer Utility Operating Fund         |                      | 242,843.63                            |                               | \$ 4,076.69        |                      |                              |                        |                        | 246,920.32                            |
| Contracts Payable                                  |                      | 150,742.50                            |                               |                    | \$ 131,143.75        |                              |                        | 1,728,336.21           | 1,747,934.96                          |
| Improvement Authorizations:                        |                      |                                       |                               |                    |                      |                              |                        |                        |                                       |
| Dissolution of Delran Sewerage Authority           | 2010-04              | (8.25)                                |                               |                    |                      |                              |                        |                        | (8.25)                                |
| Brown Street Pumping Station Improvements          | 2010-12              | (1,024.41)                            |                               |                    |                      |                              |                        |                        | (1,024.41)                            |
| Various Improvements to WWTP                       | 2012-05 /<br>2013-10 | 519,955.76                            |                               |                    |                      |                              | \$ 28,490.63           |                        | 491,465.13                            |
| 5th Street Pump Station, Various<br>Plant Upgrades | 2014-15 /<br>2017-04 | (235,122.75)                          | \$ 450,000.00                 |                    |                      | \$ 463,025.04                | 1,410,473.96           |                        | (1,658,621.75)                        |
| Various Improvements to Sewer System               | 2017-09              |                                       | 190,000.00                    |                    |                      | 16,137.75                    | 317,862.25             |                        | (144,000.00)                          |
|  |                      | <u>\$ 971,808.18</u>                  | <u>\$ 640,000.00</u>          | <u>\$ 4,076.69</u> | <u>\$ 131,143.75</u> | <u>\$ 479,162.79</u>         | <u>\$ 1,756,826.84</u> | <u>\$ 1,756,826.84</u> | <u>\$ 1,005,578.33</u>                |

**TOWNSHIP OF DELRAN**  
SEWER UTILITY OPERATING FUND  
Statement of Consumer Accounts Receivable  
For the Year Ended December 31, 2017

|   |                 |               |
|---|-----------------|---------------|
| Balance Dec. 31, 2016                     |                 | \$ 949,798.17 |
| Increased by:                             |                 |               |
| Sewer Rents Levied                        | \$ 3,816,645.51 |               |
| Interest on Delinquent Accounts           | 59,656.00       |               |
|   |                 | 3,876,301.51  |
|   |                 | 4,826,099.68  |
| Decreased by:                             |                 |               |
| Sewer Rents Collected                     | 3,862,630.47    |               |
| Prepayments Applied                       | 9,085.40        |               |
|   | 3,871,715.87    |               |
| Interest on Delinquent Accounts Collected | 62,639.95       |               |
|   |                 | 3,934,355.82  |
| Balance Dec. 31, 2017                     |                 | \$ 891,743.86 |

## Exhibit SD-5

**TOWNSHIP OF DELRAN**  
SEWER UTILITY OPERATING FUND  
Statement of Due From / (To) Other Funds  
For the Year Ended December 31, 2017

|                                      | Sewer Utility<br>Capital Fund | Trust<br>Other Fund | Current<br>Fund |
|--------------------------------------|-------------------------------|---------------------|-----------------|
| Balance Dec. 31, 2016--Due From (To) | \$ 242,843.63                 | \$ 4,654.04         | \$ (30,463.65)  |
| Increased by:                        |                               |                     |                 |
| Disbursed to Current Fund            |                               |                     | 792,538.94      |
| Interest on Investments              | 4,076.69                      |                     |                 |
|                                      | 246,920.32                    | 4,654.04            | 762,075.29      |
| Decreased by:                        |                               |                     |                 |
| Expenditures Paid from Current Fund  |                               |                     | 781,368.58      |
| Budget Appropriation - Unemployment  |                               | 3,000.00            |                 |
|                                      | -                             | 3,000.00            | 781,368.58      |
| Balance Dec. 31, 2017--Due From (To) | \$ 246,920.32                 | \$ 1,654.04         | \$ (19,293.29)  |

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Prepaid Connection Fees**  
**For the Year Ended December 31, 2017**

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|  |    |            |
|--|----|------------|
| Balance Dec. 31, 2016                        | \$ | 88,380.40  |
| Increased by:                                |    |            |
| Cash Received                                |    | 140,189.60 |
|  |    | 228,570.00 |
| Decreased by:                                |    |            |
| Applied to 2017 Consumer Accounts Receivable |    | 91,428.00  |
| Balance Dec. 31, 2017                        | \$ | 137,142.00 |

Exhibit SD-7

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY OPERATING FUND**  
**Statement of Sewer Rent Prepayments**  
**For the Year Ended December 31, 2017**

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|  |    |           |
|--|----|-----------|
| Balance Dec. 31, 2016                        | \$ | 9,085.40  |
| Increased by:                                |    |           |
| Receipts--Collector                          |    | 29,855.25 |
|  |    | 38,940.65 |
| Decreased by:                                |    |           |
| Applied to 2017 Consumer Accounts Receivable |    | 9,085.40  |
| Balance Dec. 31, 2017                        | \$ | 29,855.25 |



**TOWNSHIP OF DELRAN**  
SEWER UTILITY CAPITAL FUND  
Schedule of Fixed Capital  
As of December 31, 2017

| <u>Account</u>    | <u>Balance<br/>Dec. 31, 2017</u> |
|-------------------|----------------------------------|
| Land Improvements | \$ 145,543.00                    |
| Buildings         | 1,608,397.00                     |
| Infrastructure    | 1,501,481.00                     |
| Equipment         | 10,017,175.00                    |
|                   | <u>\$ 13,272,596.00</u>          |

Exhibit SD-9

**TOWNSHIP OF DELRAN**  
SEWER UTILITY CAPITAL FUND  
Statement of Fixed Capital Authorized and Uncompleted  
For the Year Ended December 31, 2017

| <u>Ordinance<br/>Number</u> | <u>Improvement Description</u>                  | <u>Ordinance<br/>Date</u> | <u>Amount</u>              | <u>Balance<br/>Dec. 31, 2016</u> | <u>Increased</u>       | <u>Balance<br/>Dec. 31, 2017</u> |
|-----------------------------|---|---------------------------|----------------------------|----------------------------------|------------------------|----------------------------------|
| 2010-04                     | Dissolution of Delran Sewerage Authority        | 2/23/2010                 | \$ 125,000.00              | \$ 125,000.00                    |                        | \$ 125,000.00                    |
| 2010-12                     | Brown Street Pumping Station Improvements       | 8/24/2010                 | 160,000.00                 | 160,000.00                       |                        | 160,000.00                       |
| 2012-05 /<br>2013-10        | Various Improvements to WWTP                    | 6/26/2012                 | 2,479,000.00               | 2,479,000.00                     |                        | 2,479,000.00                     |
| 2014-15 /<br>2017-04        | 5th Street Pump Station, various Plant upgrades | 10/7/2014<br>5/3/2017     | 2,480,000.00<br>450,000.00 | 2,480,000.00                     | \$ 450,000.00          | 2,930,000.00                     |
| 2017-09                     | Various Improvements to Sewer System            | 7/17/2017                 | 2,260,000.00               |                                  | 2,260,000.00           | 2,260,000.00                     |
|                             |   |                           |                            | <u>\$ 5,244,000.00</u>           | <u>\$ 2,710,000.00</u> | <u>\$ 7,954,000.00</u>           |

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY OPERATING FUND**  
Statement of 2016 Appropriation Reserves and Reserve for Encumbrances  
For the Year Ended December 31, 2017

|  | Balance Dec.31,      |                      | <u>Disbursed</u>     | <u>Balance Lapsed</u> |
|--|----------------------|----------------------|----------------------|-----------------------|
|  | <u>Encumbered</u>    | <u>Reserved</u>      |                      |                       |
| Operating:                                   |                      |                      |                      |                       |
| Other Expenses                               | \$ 248,398.93        | \$ 226,967.36        | \$ 267,964.49        | \$ 207,401.80         |
| Capital Improvements:                        |                      |                      |                      |                       |
| Capital Outlay                               |                      | 25,000.00            |                      | 25,000.00             |
| Deferred Charges and Statutory Expenditures: |                      |                      |                      |                       |
| Statutory Expenditures:                      |                      |                      |                      |                       |
| Social Security System (O.A.S.I)             |                      | 1,254.48             |                      | 1,254.48              |
|  | <u>\$ 248,398.93</u> | <u>\$ 253,221.84</u> | <u>\$ 267,964.49</u> | <u>\$ 233,656.28</u>  |

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY OPERATING FUND**  
Statement of Accrued Interest on Notes and Loans and Analysis of Balance  
For the Year Ended December 31, 2017

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|                       |             |
|-----------------------|-------------|
| Balance Dec. 31, 2016 | \$ 5,707.59 |
| Increased by:         |             |
| Accrued Interest      | 19,326.03   |
|                       | 25,033.62   |
| Decreased by:         |             |
| Interest Paid         | 16,981.26   |
| Balance Dec. 31, 2017 | \$ 8,052.36 |

Analysis of Accrued Interest Dec. 31, 2017

|                      | Amount<br><u>Outstanding</u> | Interest Rate | From       | To         | Days | <u>Amount</u> |
|----------------------|------------------------------|---------------|------------|------------|------|---------------|
| Infrastructure Loan: |                              |               |            |            |      |               |
| 2014A                | \$ 425,000.00                | Various       | 9/1/2017   | 12/31/2017 | 121  | \$ 5,327.09   |
| BAN                  | 640,000.00                   | 2.50%         | 10/30/2017 | 12/31/2017 | 62   | 2,725.27      |
|                      |                              |               |            |            |      | \$ 8,052.36   |

**Exhibit SD-12**

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY OPERATING FUND**  
Statement of Developer's Escrow Deposits  
For the Year Ended December 31, 2017

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|                       |              |
|-----------------------|--------------|
| Balance Dec. 31, 2016 | \$ 55,799.82 |
| Increased by:         |              |
| Receipts              | 6,581.75     |
|                       | 62,381.57    |
| Decreased by:         |              |
| Disbursements         | 29,127.25    |
| Balance Dec. 31, 2017 | \$ 33,254.32 |

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Improvement Authorizations  
For the Year Ended December 31, 2017

| Improvement Description                            | Ordinance<br>Number  | Ordinance<br>Date      | Amount                     | Balance (Restated)<br>Dec. 31, 2016 |                        | Authorized             | Paid or<br>Charged     | Balance<br>Dec. 31, 2017 |                        |
|--|----------------------|------------------------|----------------------------|-------------------------------------|------------------------|------------------------|------------------------|--------------------------|------------------------|
|  |                      |                        |                            | Funded                              | Unfunded               |                        |                        | Funded                   | Unfunded               |
| General Improvements:                              |                      |                        |                            |                                     |                        |                        |                        |                          |                        |
| Dissolution of Sewerage Authority                  | 2010-04              | 4/27/2010              | \$ 227,500.00              |                                     | \$ 18,541.75           |                        |                        | \$ 18,541.75             |                        |
| Brown Street Pumping Station                       | 2010-12              | 9/15/2010              | 160,000.00                 |                                     | 105,225.59             |                        |                        | 105,225.59               |                        |
| Various Improvements to WWTP                       | 2012-05 /<br>2013-10 | 6/26/2012              | 2,479,000.00               | \$ 519,955.76                       | 121,984.00             |                        |                        | \$ 491,465.13            | 150,474.63             |
| 5th Street Pump Station, Various<br>Plant Upgrades | 2014-15<br>2017-04   | 10/7/2014<br>42,858.00 | 2,480,000.00<br>450,000.00 |                                     | 1,748,877.25           | \$ 450,000.00          | \$ 1,873,499.00        |                          | 325,378.25             |
| Various Improvements to Sewer<br>System            | 2017-09              | 7/17/2017              | 2,260,000.00               |                                     |                        | 2,260,000.00           | 334,000.00             |                          | 1,926,000.00           |
|  |                      |                        |                            | <u>\$ 519,955.76</u>                | <u>\$ 1,994,628.59</u> | <u>\$ 2,710,000.00</u> | <u>\$ 2,207,499.00</u> | <u>\$ 491,465.13</u>     | <u>\$ 2,525,620.22</u> |
| Disbursed  |                      |                        |                            |                                     |                        |                        | \$ 479,162.79          |                          |                        |
| Contracts Payable & Encumbrances                   |                      |                        |                            |                                     |                        |                        | <u>1,728,336.21</u>    |                          |                        |
|  |                      |                        |                            |                                     |                        |                        | <u>\$ 2,207,499.00</u> |                          |                        |

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Contracts Payable and Encumbrances  
For the Year Ended December 31, 2017

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|                                 |                 |
|---------------------------------|-----------------|
| Balance Dec. 31, 2016           | \$ 150,742.50   |
| Increased by:                   |                 |
| 2017 Contracts and Encumbrances | 1,728,336.21    |
|                                 | 1,879,078.71    |
| Decreased by:                   |                 |
| Disbursements                   | 131,143.75      |
| Balance Dec. 31, 2017           | \$ 1,747,934.96 |

**Exhibit SD-15**

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Reserve for Amortization  
For the Year Ended December 31, 2017

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|  |                  |
|--|------------------|
| Balance Dec. 31, 2016 (Restated)                             | \$ 13,667,056.99 |
| Increased by:  |                  |
| NJ Environmental Trust Loan Paid by Utility Operating Budget | 66,232.24        |
| Balance Dec. 31, 2017  | \$ 13,733,289.23 |

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY CAPITAL FUND**  
Statement of New Jersey Environmental Infrastructure Trust Loan Payable  
For the Year Ended December 31, 2017

| <u>Purpose</u>   | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Maturities of Loan</u> |                             | <u>Interest Rate</u> | <u>Balance Dec. 31, 2016</u> | <u>Decreased</u> | <u>Balance Dec. 31, 2017</u> |
|--|----------------------|-----------------------|---------------------------|-----------------------------|----------------------|------------------------------|------------------|------------------------------|
|  |                      |                       | <u>Outstanding Date</u>   | <u>Dec. 31, 2017 Amount</u> |                      |                              |                  |                              |
| New Jersey Environmental Infrastructure Trust Loan,<br>Series 2014A (Non-Interest Bearing) | 5/21/2014            | \$ 671,458.86         | 2/1/2018                  | \$ 24,907.62                | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2018                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2019                  | 24,907.62                   | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2019                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2020                  | 24,907.62                   | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2020                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2021                  | 24,907.62                   | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2021                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2022                  | 24,907.62                   | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2022                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2023                  | 24,907.62                   | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2023                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2024                  | 24,907.62                   | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2024                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2025                  | 24,907.62                   | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2025                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2026                  | 24,907.62                   | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2026                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2027                  | 24,907.62                   | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2027                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2028                  | 24,907.62                   | N/A                  |                              |                  |                              |
|  |                      |                       | 8/1/2028                  | 49,815.25                   | N/A                  |                              |                  |                              |
|  |                      |                       | 2/1/2029                  | 24,907.62                   | N/A                  |                              |                  |                              |
| 8/1/2029   | 49,815.25            | N/A                   |                           |                             |                      |                              |                  |                              |
| 2/1/2030   | 24,907.62            | N/A                   |                           |                             |                      |                              |                  |                              |
| 8/1/2030   | 49,815.25            | N/A                   |                           |                             |                      |                              |                  |                              |
| 2/1/2031   | 24,907.62            | N/A                   |                           |                             |                      |                              |                  |                              |
| 8/1/2031   | 49,815.25            | N/A                   |                           |                             |                      |                              |                  |                              |

(Continued)

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY CAPITAL FUND**  
Statement of New Jersey Environmental Infrastructure Trust Loan Payable  
For the Year Ended December 31, 2017

| <u>Purpose</u>  | <u>Date of Issue</u> | <u>Original Issue</u> | <u>Maturities of Loan</u> |                             | <u>Interest Rate</u> | <u>Balance Dec. 31, 2016</u> | <u>Decreased</u>    | <u>Balance Dec. 31, 2017</u> |
|---|----------------------|-----------------------|---------------------------|-----------------------------|----------------------|------------------------------|---------------------|------------------------------|
|   |                      |                       | <u>Outstanding Date</u>   | <u>Dec. 31, 2017 Amount</u> |                      |                              |                     |                              |
| New Jersey Environmental Infrastructure Trust Loan,<br>Series 2014A (Non-Interest Bearing) (Cont'd) | 5/21/2014            | \$ 681,308.86         | 2/1/2032                  | \$ 24,907.62                | N/A                  | \$ 1,148,305.01              | \$ 74,722.87        | \$ 1,073,582.14              |
|   |                      |                       | 8/1/2032                  | 2,554.34                    | N/A                  |                              |                     |                              |
| New Jersey Environmental Infrastructure Trust Loan,<br>Series 2014A (Interest Bearing)              | 5/21/2014            | 480,000.00            | 9/1/2018                  | 20,000.00                   | 5.000%               | 445,000.00                   | 20,000.00           | 425,000.00                   |
|   |                      |                       | 9/1/2019                  | 20,000.00                   | 5.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2020                  | 20,000.00                   | 5.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2021                  | 20,000.00                   | 5.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2022                  | 25,000.00                   | 5.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2023                  | 25,000.00                   | 5.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2024                  | 25,000.00                   | 5.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2025                  | 25,000.00                   | 3.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2026                  | 25,000.00                   | 3.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2027                  | 30,000.00                   | 3.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2028                  | 30,000.00                   | 3.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2029                  | 30,000.00                   | 3.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2030                  | 30,000.00                   | 3.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2031                  | 30,000.00                   | 3.000%               |                              |                     |                              |
|   |                      |                       | 9/1/2032                  | 35,000.00                   | 3.125%               |                              |                     |                              |
| 9/1/2033  | 35,000.00            | 3.250%                |                           |                             |                      |                              |                     |                              |
|   |                      |                       |                           |                             |                      | <u>445,000.00</u>            | <u>20,000.00</u>    | <u>425,000.00</u>            |
|   |                      |                       |                           |                             |                      | <u>\$ 1,593,305.01</u>       | <u>\$ 94,722.87</u> | <u>\$ 1,498,582.14</u>       |
| Cancelled to NJEIT Receivable   |                      |                       |                           |                             |                      |                              | \$ 28,490.63        |                              |
| Paid by Sewer Utility Operating Budget  |                      |                       |                           |                             |                      |                              | <u>66,232.24</u>    |                              |
|   |                      |                       |                           |                             |                      |                              | <u>\$ 94,722.87</u> |                              |

**TOWNSHIP OF DELRAN**  
**SEWER UTILITY CAPITAL FUND**  
**Statement of Bond Anticipation Notes**  
**For the Year Ended December 31, 2017**

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| <u>Ordinance<br/>Number</u> | <u>Improvement Description</u>       | <u>Date of<br/>Original<br/>Issue</u> | <u>Date of<br/>Issue</u> | <u>Date of<br/>Maturity</u> | <u>Interest<br/>Rate</u> | <u>Increased</u>     | <u>Balance<br/>Dec. 31, 2017</u> |
|-----------------------------|--------------------------------------|---------------------------------------|--------------------------|-----------------------------|--------------------------|----------------------|----------------------------------|
| 2014-15 /<br>2017-04        | Various Improvements to Sewer System | 10/30/17                              | 10/30/17                 | 10/29/18                    | 2.50%                    | \$ 450,000.00        | \$ 450,000.00                    |
| 2017-09                     | Various Improvements to Sewer System | 10/30/17                              | 10/30/17                 | 10/29/18                    | 2.50%                    | 190,000.00           | 190,000.00                       |
|                             |                                      |                                       |                          |                             |                          | <u>\$ 640,000.00</u> | <u>\$ 640,000.00</u>             |



**TOWNSHIP OF DELRAN**  
**SEWER UTILITY CAPITAL FUND**  
Statement of Bonds and Notes Authorized But Not Issued  
For the Year Ended December 31, 2017

| <u>Ordinance<br/>Number</u> | <u>Improvement Description</u>            | (Restated)<br>Balance<br><u>Dec. 31, 2016</u> | 2017<br><u>Authorizations</u> | Loans<br><u>Cancelled</u> | Bond Anticipation<br>Notes<br><u>Issued</u> | Balance<br><u>Dec. 31, 2017</u> |
|-----------------------------|---|---|-------------------------------|---------------------------|---|---------------------------------|
| 2010-04                     | Dissolution of Delran Sewerage Authority  | \$ 18,550.00                                  |                               |                           |   | \$ 18,550.00                    |
| 2010-12                     | Brown Street Pumping Station Improvements | 106,250.00                                    |                               |                           |   | 106,250.00                      |
| 2012-05 /<br>2013-10        | Various Improvements to WWTP              | 121,984.00                                    |                               | \$ (28,490.63)            |   | 150,474.63                      |
| 2014-15 /<br>2017-04        | Various Improvements to Sewer System      | 1,984,000.00                                  | \$ 450,000.00                 |                           | \$ 450,000.00                               | 1,984,000.00                    |
| 2017-09                     | Various Improvements to Sewer System      |   | 2,260,000.00                  |                           | 190,000.00                                  | 2,070,000.00                    |
|                             |   | <u>\$ 2,230,784.00</u>                        | <u>\$ 2,710,000.00</u>        | <u>\$ (28,490.63)</u>     | <u>\$ 640,000.00</u>                        | <u>\$ 4,329,274.63</u>          |

**TOWNSHIP OF DELRAN**

**PART II**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED**

**DECEMBER 31, 2017**

**TOWNSHIP OF DELRAN**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2017

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***Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

**Finding No. 2017-001**

**Criteria or Specific Requirement**

N.J.A.C. 5:30-5.6 requires the Township to maintain an accurate record of general fixed assets. Good internal control practices also dictate that complete and accurate records should be maintained to ensure adequate control over the preparation of financial statements including the related footnotes.

**Condition**

The Township's record of general fixed assets included assets that could not be located.

**Context**

During our testing of the Township's general fixed asset record, 2 of the 30 assets tested were unable to be located. The projection of this error resulted in a material error to the Township's Statement of General Fixed Assets.

**Effect**

There is an increased risk that the Township's general fixed assets could have material errors if the report is not thoroughly compared or reviewed.

**Cause**

The Township engaged an independent appraisal company to update the existing records of general fixed assets and sewer utility fixed capital during the year. However, this report was not thoroughly compared or reviewed for changes that occurred during the year to the Township's general fixed assets.

**Recommendation**

The Township should thoroughly compare and review the results from the appraisal report with the existing documentation maintained for general fixed assets.

**View of Responsible Officials and Planned Corrective Action**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**TOWNSHIP OF DELRAN**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2017

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***Schedule of Financial Statement Findings (Cont'd)***

**Finding No. 2017-002**

**Criteria or Specific Requirement**

Sewer customers should be billed in accordance with the rates prescribed in the Township Ordinance.

**Condition**

Several customers were overbilled in accordance with the Township Ordinance as a result of billing adjustments that were applied.

**Context**

During our testing of non-cash utility transactions, we found that for 10 accounts there were billing adjustments made to customer accounts on the original sewer billing, however when the Township voided out the original billing, these adjustments were not removed and as a result customers were overbilled. Additionally, we noted 3 other accounts where billing adjustments did not have proper supporting documentation.

**Effect**

Customers were overbilled and the utility recorded more revenue than it should have. However, it should be noted that an adjustment was recorded to adjust the amount of revenue recorded.

**Cause**

There was a breakdown in the internal controls over non-cash utility transactions.

**Recommendation**

The Township should ensure that all adjustments to Utility accounts are properly applied.

**View of Responsible Officials and Planned Corrective Action**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**TOWNSHIP OF DELRAN**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2017

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***Schedule of Financial Statement Findings (Cont'd)***

**Finding No. 2017-003**

**Criteria or Specific Requirement**

Strong internal control practices dictate that cash accounts be reconciled in a timely manner to prevent misappropriations of cash.

**Condition**

The Township's cash reconciliations for several accounts contained several unadjusted differences that were not corrected in a timely manner.

**Context**

During our testing of the Township's cash accounts, we noted that several cash accounts required numerous entries to reconcile to the bank statement.

**Effect**

There is an increased possibility of the misappropriation of Township cash or errors not being detected in a timely manner.

**Cause**

The Township did not maintain adequate oversight over the reconciliation process of the cash accounts.

**Recommendation**

The Township should review their internal controls over cash and establish procedures to ensure that the cash accounts are reconciled and adjustments are made in a timely manner.

**View of Responsible Officials and Planned Corrective Action**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**TOWNSHIP OF DELRAN**  
Schedule of Findings and Recommendations  
For the Year Ended December 31, 2017

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***Schedule of Financial Statement Findings (Cont'd)***

**Finding No. 2017-004**

**Criteria or Specific Requirement**

New Jersey Statutes determine the compliance requirements for the filing by the Township of certain required information.

**Condition**

The Township did not receive all required financial disclosure forms from several local government officials.

**Context**

All local government officials shall file annually a financial disclosure statement. Statements shall be filed on or before April 30th each year, except that each local government officer shall file a financial disclosure statement within 30 days of taking office. There were five financial disclosure forms that were not filed, and several that were not filed timely. All but one of the delinquent and unfiled forms were from the planning and zoning boards.

**Effect**

The Township was not in compliance with N.J.S.A. 40A:9-22.6.

**Cause**

Several Planning and Zoning officials and the public defender did not complete and file their financial disclosure forms online as required.

**Recommendation**

That the Township follows up with the appropriate officials to ensure all financial disclosure forms are received on a timely basis.

**View of Responsible Officials and Planned Corrective Action**

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

**TOWNSHIP OF DELRAN**  
Summary Schedule of Prior Year Audit Findings  
and Recommendations as Prepared by Management

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This section identifies the status of prior year findings related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

**FINANCIAL STATEMENT FINDINGS**

**Finding No. 2016-001**

**Condition**

The appraised values of the general fixed assets and sewer utility fixed capital were materially different from the Township's existing records.

**Current Status**

This finding continues to exist as 2017-001. However, the portion of the finding relating to sewer utility fixed capital has been resolved.

**Finding No. 2016-002**

**Condition**

During our audit, we noted that there was a break down in the internal controls over expenditures.

**Current Status**

This finding has been resolved.

**Finding No. 2016-003**

**Condition**

During our audit, we noted that there were several adjustments to utility accounts that were not approved by Council.

**Current Status**

This finding has been resolved.

**TOWNSHIP OF DELRAN**  
 Officials in Office and Surety Bonds

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The following officials were in office during the period under audit:

| <u>Name</u>      | <u>Title</u>            | <u>Amount of<br/>Surety Bond</u> |
|------------------|-------------------------|----------------------------------|
| Ken Paris        | Mayor                   |                                  |
| Gary Catrambone  | Council President       |                                  |
| Dan O'Connell    | Vice President          |                                  |
| Tyler Burrell    | Councilperson           |                                  |
| Patty Kolodi     | Councilperson           |                                  |
| Michael Schwartz | Councilperson           |                                  |
| Jeffrey Hatcher  | Township Administrator  |                                  |
| Linda Lewis      | Chief Financial Officer | \$1,000,000.00 (A)               |
| Victoria Boras   | Tax Collector           | 1,000,000.00 (A)                 |
| Jamey Eggers     | Township Clerk          | 1,000,000.00 (A)                 |

(A) Public Employees' Faithful Performance\Dishonesty Crime Coverage of \$1,000,000.00 provided by the Burlington County Joint Insurance Fund and the Municipal Excess Liability Joint Insurance Fund.

Township court employees and all other Township employees are under the Public Employees' Faithful Performance\Dishonesty Crime Coverage listed above.



15300

**APPRECIATION**

I express my appreciation for the assistance and courtesies rendered by the Township officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

A handwritten signature in black ink that reads "Robert S. Marrone". The signature is written in a cursive style with a large, prominent initial 'R'.

Robert S. Marrone  
Certified Public Accountant  
Registered Municipal Accountant

